1866 UNITED STATES DISTRICT COURT EASTERN DISTRICT OF VIRGINIA Alexandria Division SONY MUSIC ENTERTAINMENT, et al.,: Plaintiffs, : Case No. 1:18-cv-950 -vs-COX COMMUNICATIONS, INC., et al.,: Defendants. -----: VOLUME 8 (P.M. Portion) TRIAL TRANSCRIPT December 11, 2019 Before: Liam O'Grady, USDC Judge And a Jury

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1869 AFTERNOON SESSION 1 2 NOTE: The afternoon portion of the case on 3 December 11, 2019, begins in the absence of the jury as 4 follows: 5 JURY OUT 6 THE COURT: Preliminary matters. Yes, sir. 7 MR. GOULD: Thank you, Your Honor. There are a 8 couple of exhibits plaintiffs wanted to move into evidence, 9 several of which the parties have no dispute over: PX 459, DX 250, PX 443. 02:05:00 10 11 There's two additional sets of documents that there's 12 a slight difference of opinion on. Several of them are the 13 large billing data reports that are referred to as the ICOMS 14 billing reports. Plaintiffs move admission of PX 467 through 15 PX 474, as well as PX 479. 16 Those billing reports were authenticated, foundation 17 laid as business records in the deposition of Mr. Jarchow. 18 Your Honor will recall the defendants have been unwilling so 19 far to stipulate to admission of those unless plaintiffs also 02:05:44 20 stipulate to admission of apparently related information in a 21 different document that we didn't get to depose on. I'm not 22 aware of a principled basis to oppose admission of the ones 23 I've identified notwithstanding the continued work and need to 24 resolve the one remaining document. 25 THE COURT: Okay.

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                       MS. GOLINVEAUX: Mr. Gould, can I have the list,
         2
             please?
         3
                       MR. GOULD: Yeah.
         4
                       MS. GOLINVEAUX: Your Honor, no objection with
         5
             respect to PX 459 or DX 450 or PX 443. We do object at this
             time as to PX 467 to 474, which is the ICOMS billing report
         6
         7
             that Mr. Gould just referred to. As Your Honor is aware from
         8
             last week, there's -- those reports were initially produced
         9
             with one column that listed out the customer name redacted out
             in order to protect the privacy, and then subsequently,
02:06:40 10
        11
             pursuant to a stipulated order that Judge Anderson entered, we
        12
             went ahead and produced that one missing column for the
        13
             business customers.
        14
                       We are open to stipulating admission of the ICOMS
        15
             reports along with that column, but the plaintiffs are still
        16
             taking issue with that, so we're trying to work that out. We
        17
             do not -- we object to producing the partial reports without
        18
             that column.
                       THE COURT: So you want to produce now with the
        19
02:07:09 20
             customer names included?
        21
                       MS. GOLINVEAUX: The business customers only, Your
        22
             Honor.
        23
                       THE COURT: The business customers only.
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                       MS. GOLINVEAUX: Yes, Your Honor.
        25
                       THE COURT: And what's the objection to that?
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                       MR. GOULD: This is the issue we discussed.
                                                                    We're
         2
             looking to potentially and likely have a phone deposition with
         3
             Mr. Jarchow Friday to explore the second piece, which they're
         4
             telling us is somehow part of this one, but there's no question
         5
             that the documents they produced and that were deposed on are
             business records, and Cox doesn't dispute that.
         6
         7
                       They're somehow trying to hold up admission of
         8
             admissible business records unless we agree to stipulate to
         9
             something else, and they are two separate issues. We have
             documents that Cox produced we relied on, Dr. Lehr relied on.
02:07:57 10
        11
             It's core evidence in this case.
        12
                       THE COURT: Okay. I understand. All right.
        13
             provisionally admit 467 to 474, with just the two columns of
        14
             data, and then we'll revisit after we've had the opportunity to
        15
             do the deposition and whatever other evidence comes before me.
        16
                       MR. GOULD: I'm not sure -- I apologize.
        17
                       THE COURT: Go ahead. Yeah.
        18
                       MR. GOULD: I'm not sure I understand what you mean
             by the two columns of data.
        19
02:08:27 20
                       THE COURT: 467 -- what did 467 through 474 include?
        21
                       MR. GOULD: These are massive spreadsheets of monthly
        22
             billings over a four- or five-year period.
        23
                       THE COURT: Produced by Cox.
        24
                       MR. GOULD: Produced by Cox for all of the business
        25
             and all of the residential customers, and what Ms. Golinveaux
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has represented is that they removed the names of the
customers. They don't dispute that these are authentic
business records from their files.
          THE COURT:
                     Right.
          MR. GOULD: What Ms. Golinveaux is saying is they'll
only agree to stipulate to admission of the actual billing data
if we also agree to stipulate to admission of the names of the
business customers. They're separate issues.
          THE COURT: I think -- and I was trying to make a
ruling that said they're separate issues, and it may be that
the additional data with the names of business customers comes
in at a different time, but it should not prevent the
underlying data that was produced by Cox in the slightly
redacted form and was relied on by the plaintiffs shouldn't go
in at this time. So your exception is noted, but I'm going to
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MR. GOULD: Thank you. And then 479, I think was no objection as well; is that right? The key?

MS. GOLINVEAUX: We have no objection to 479, Your May I be heard for one moment, Your Honor?

THE COURT: Yes.

receive 467 through 474.

MS. GOLINVEAUX: Your Honor, to be clear, the reports that they're admitting now, there's two columns that were redacted, and those are the subject of the remaining dispute, and we're presenting an affidavit for Mr. Jarchow with respect

Case 1:18-cv-00950-PTG-JFA Document 656 Filed 12/17/19 Page 8 of 132 PageID# 27726 1873 1 to those.

2 With respect to the deposition plaintiffs are

3 seeking, it's not clear to us that that's proper. They say

4 they want what amounts to a discovery deposition, but we're

5 going to try to resolve that amongst the parties once they see

his affidavit indicate authenticating those columns, and then 6

we'll determine whether we have anything left to bring to the

8 Court on that.

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THE COURT: Okay. All right. So let me, let me back up. The data that Lehr -- that Cox produced initially that was relied upon has two columns missing or one column missing?

MS. GOLINVEAUX: Your Honor, it's the customer name and address. So they're broken into two columns.

THE COURT: Okay. Otherwise, you don't disagree that the data is accurate?

MS. GOLINVEAUX: That's correct, Your Honor.

THE COURT: Okay. And whether or not this -- and you want the customer names and addresses in?

MS. GOLINVEAUX: The Cox Business customers.

THE COURT: Business customers.

MS. GOLINVEAUX: Yes, Your Honor.

THE COURT: And you think that that's relevant for your case, and there's a dispute at this stage as to whether that comes in.

MS. GOLINVEAUX: That's correct, Your Honor.

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                       THE COURT: Okay. So I'll, I'll allow the redacted
         2
             exhibits, which I believe are 467 to 474. Is that correct?
         3
                       MR. GOULD: Yes, Your Honor.
         4
                       THE COURT:
                                   To come in now, and we can revisit the
         5
             admissibility of the complete exhibit as -- the next time you
             tell me it's time.
         6
                       MS. GOLINVEAUX: Thank you, Your Honor.
         8
                       THE COURT: Okay.
         9
                       MR. OPPENHEIM: So two issues, Your Honor. I want to
             speak to the deposition issue that just came up and also
02:11:37 10
        11
             resolve an issue with respect to Mr. Cadenhead's designations.
        12
             And if we want to put that off until later, that's fine.
        13
                       The issue that we discussed the other day with
        14
             respect to the names of the business customers has to do with
        15
             how much information was disclosed. The, the defendants have
        16
             been arguing these are critical infrastructure. These are
        17
             military bases and hospitals and things like that.
        18
                       All they've disclosed in that information --
        19
                       THE COURT: So this is just further argument about
02:12:11 20
             that. We'll do that after the jury goes home.
        2.1
                       MR. OPPENHEIM: That's fine, Your Honor.
        22
                       THE COURT: Okay. Thank you.
        23
                                      That's fine. Okay.
                       MR. OPPENHEIM:
        24
                       THE COURT: Let's do it all after the jury goes home.
        25
                       MR. OPPENHEIM: As well as the Cadenhead issue?
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1 That's fine.

02:13:35 20

02:12:42 10

THE COURT: Thank you. Unless somebody's not going to be here at the end of the day because you've been tasked to do something else. Does that work?

MS. LEIDEN: I'm happy to address it now. I think it wouldn't take too much of the Court's time. And then the only issue is that he's the next video after one of the witnesses, so then we can then finalize --

THE COURT: Okay. Go ahead with that one.

MR. OPPENHEIM: I think we've resolved all the issues really except for one document and the testimony surrounding that document, and the document is DX 74, Your Honor, and the document is a PowerPoint presentation that Mr. Cadenhead believes he used at a presentation to CAS. It includes the infamous 96 percent study. And so the first eight slides were not created by Mr. Cadenhead, so they're, they're not his, and the last several slides are the 96 percent study.

Cox has asked to admit this. It's classic hearsay from our perspective, and even if you -- as they've suggested, well, they're not offering it for the truth of the matter contained within it, but for the purpose of saying, well, they had told CAS about what Cox was doing, but that is not a -- it's just not a relevant issue, Your Honor.

There is no statute of limitations issue in this case. There is no laches issue. There has been plenty of

testimony about CAS, whether -- and any testimony that

Mr. Cadenhead provides about, well, I told them about ignoring
the first notice, that's fine, but the actual document itself
is hearsay and should not come in, Your Honor, even in its -even if we surgically cut off the front end and the back end.

THE COURT: Okay. Thank you.

MS. LEIDEN: Thank you, Your Honor. So just one thing to clarify, which is, as Mr. Oppenheim referred to, we have offered to and expect to take off the last two slides of this presentation, which are the only two slides in this PowerPoint that refer to the 96 percent study, and so the remainder of the PowerPoint, that's DX 74, and there's also an e-mail that attached, which is DX 73, the remainder of that presentation relates to -- with the exception of a few introductory slides, which Mr. Cadenhead said in his deposition he did not personally create, but the remainder refers to Cox's graduated response and notice program that Mr. Cadenhead presented to the RIAA content owners and the ISPs in 2010 during the negotiations of CAS.

So I think here, you know, the jury's heard several times that Cox did not join CAS, and frankly, you know, this is relevant to and helps illustrate why they didn't do so, and the fact that Cox presented its graduated response to the eventual members of CAS and that the members of CAS then agreed to a type of graduated response themselves is highly relevant to

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this case.

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And just with respect to the hearsay issue, as, you know, Mr. Oppenheim alluded, we're not offering the slides for their content. We're offering them to show that the presentation was made and the information was conveyed, and I discussed with one of Mr. Oppenheim's colleagues this morning that we would be open to a limiting instruction to address that issue to ensure that the jury is aware of that issue.

MR. ELKIN: Just one additional point, if I may, Your Honor. The, the issues surrounding Cox presenting to the CAS members what they were doing in terms of graduated response and our position and I think what the testimony and the evidence reflects is that Cox did participate. We demonstrated the steps that it at least took. It at some point pulled out. The jury's already heard that.

For the jury not to hear without that 96 percent business, the fact that Mr. Cadenhead actually did address them, I think, is not particularly a complete picture, and we, obviously, readily agree pursuant to Your Honor's order to excise that portion of it, but I think they're trying to, respectfully, de-neuter what he did, and he testified at length in his deposition, both Mr. Oppenheim and I were there, it went on for a long time.

So we're not trying to talk about whether or not graduated response was effective 96 percent or any of that,

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just that he was there, they made a presentation, he stated that he and Cox decided not to participate for whatever reasons, and that's really the purpose of it.

THE COURT: So how many of these slides do you want to use? I mean, like, there's one that says annual notice volume. If they're not being offered for the truth of the contents, then what other purpose is there for offering them?

acceptable stipulation to remove whatever is maybe objectionable as far as that goes. We just want to be able to say that, hey, look, we were there and we took this seriously. We made a presentation. Regardless of whether, what they thought of it, you know, we thought enough of this to actually do something.

MR. ELKIN: We're more than happy to work out an

THE COURT: All right.

MR. ELKIN: That's all.

MR. OPPENHEIM: Your Honor, to be clear, I've not objected to Mr. Cadenhead's testimony that he made a presentation. That's fine. If he did, he testified he made a presentation, that's fine. Actually putting the hearsay evidence in of that, of that is, is what is the problem, Your Honor.

So to the extent that Mr. Elkin's point is they just want to say, hey, they were there and they did this presentation, that's in the testimony, Your Honor, and there's

no need to put this document in, which raises all kinds of questions, frankly, Your Honor.

THE COURT: Well -- yes.

02:19:54 20

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MS. LEIDEN: And just to clarify, the specific slides, if you have them in front of you, they begin on slide 8, which is titled Cox Graduated Response, and then the slides immediately following describe the notice requirements, e-mail, and then certain of the steps of graduated response, including the walled-garden suspension, Cox graduated -- and Cox graduated steps.

So we would certainly be amenable to removing the slides that don't relate specifically to the graduated response both before and after those slides.

THE COURT: All right. You know, I think that -- as I've already ruled, that the -- what Cox did on its own in deciding not to join the CAS program is of some relevance, and Mr. Cadenhead should be allowed to testify that he went and he gave this presentation, and see if you can't, you know -- so is he live or is he by video?

MS. LEIDEN: By video, Your Honor.

THE COURT: Okay. And he's going to refer to this as something that he brought to the CAS meeting and used in the presentation, and you can redact the document as you-all agree or as we decide, without interfering with your ability to put the video on?

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                       MS. LEIDEN: Yes.
         2
                       THE COURT: Okay. Then see if you can't work it out,
         3
             and I'll admit it under the parameters that we've just talked
         4
             about.
         5
                       MS. LEIDEN: Thank you, Your Honor.
         6
                       THE COURT: Okay. All right. Are we ready for the
         7
             jury then?
         8
                       MR. OPPENHEIM: Yes.
         9
                       THE COURT: Okay. Joe, let's get our jury.
        10
                       NOTE: At this point, the jury returns to the
        11
             courtroom; whereupon the case continues as follows:
        12
             JURY IN
        13
                       THE COURT: All right. Please, have a seat.
        14
                       Mr. Oppenheim?
        15
                       MR. OPPENHEIM: Your Honor, subject to recognizing
        16
             that the plaintiffs will be taking some testimony during the
        17
             course of defendants' case from some of their witnesses and the
        18
             right to take rebuttal, the plaintiffs at this point will rest
        19
             their case to defendants.
02:21:43 20
                       THE COURT: All right. Thank you, sir.
        2.1
                       MR. ELKIN: Good afternoon, Your Honor.
        22
                       THE COURT: Good afternoon.
        23
                       MR. ELKIN: Defendants call Sidd Negretti.
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                       THE COURT: All right.
        25
                       THE COURT SECURITY OFFICER: Yes, sir. Come in,
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         1
             please.
         2
                     SIDDHARTHA NEGRETTI, DEFENDANTS' WITNESS, SWORN
                       THE COURT: Good afternoon, sir.
         3
                       Please, Mr. Elkin, proceed.
         4
         5
                       MR. ELKIN:
                                    Thank you, Your Honor.
         6
                                    DIRECT EXAMINATION
             BY MR. ELKIN:
         8
                  Please state your full name for the record.
         9
                  My name is Siddhartha Negretti.
                  Good afternoon, sir.
02:22:53 10
             Ο.
        11
             Α.
                  Good afternoon.
        12
                  By whom are you employed?
        13
                  I am employed by Cox Communications.
        14
                  And what's your position at Cox?
        15
                  I am the executive director of product marketing strategy.
             Α.
        16
                  And how long have you been at Cox?
        17
                  I've been with Cox since January of 1999, so just over 20
             years.
        18
        19
                  Okay. How soon after college did you join Cox?
                  It was three years. It was my second job out of college.
02:23:14 20
                  Okay. And tell the Court about your college education.
        21
        22
                          I went to my undergrad at Arizona State University
        23
             in Tempe, Arizona. I've got a Bachelor's in Broadcast
        24
             Marketing.
        25
                       THE COURT: Get a little closer to the microphone, if
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1882 1 you would, sir. 2 THE WITNESS: Sure. BY MR. ELKIN: 3 And do you have an advanced degree? 4 5 Yes. I have my MBA, or a Master's of Business 6 Administration, from Emory University in Atlanta, Georgia. got that in 2009. 8 Is that during the time you were still at Cox? 9 Α. Yes. And when you first joined Cox in 1999, what was your job? 02:23:51 10 Sure. I actually started at Cox as a technical support 11 12 representative, which meant I was a customer service 13 representative on the phones. 14 Okay. And how long did you have that position? 15 Not too long. About a year and a half or so. 16 Okay. At some point, did you join the marketing 17 department? In December of 2003, just about four years after I 18 19 started with the company, I got my first job in the product 02:24:21 20 marketing group. So since 2003 to the present, you've been in the marketing 21 22 department at Cox? 23 That's correct.

Could you take the jury through the different -- briefly,

24

1 | responsibilities you've had since you joined Cox's marketing

- 2 group in 2003?
- 3 A. Sure. As Michael said, I have been in the product
- 4 | marketing role with Cox Communications for over 16 years, but
- 5 | my capacity and my role has changed and evolved each and every
- 6 | time I moved to different locations.
- 7 So as we talked about, I started out as a technical
- 8 | support representative. It was for our digital telephone
- 9 product. When I joined the marketing department, I was the
- 02:25:04 10 | product manager for that digital telephone product. So that's
 - 11 | the cable service offering telephone service to its customers.
 - In 2005, I expanded that role to a national product
 - 13 marketing manager for digital telephone, and that was in
 - 14 Atlanta, Georgia.
 - 15 After I got my MBA that we talked about earlier, I
 - 16 expanded my role even further by going out to our Las Vegas
 - 17 | market, and I was the director of product marketing in Las
 - 18 | Vegas. So at that point in time, not only was I responsible
 - 19 | for digital telephone, but also for Cox's high-speed internet
- 02:25:37 20 and Cox's television services.
 - 21 Q. Let me just stop you there for a moment. How did your
 - 22 responsibilities change once you became the director of product
 - 23 | marketing?
 - 24 A. Sure. As a director, we're more responsible for making
 - 25 | leadership-level decisions and setting the strategy forward for

- 1 | what we do in terms of bringing products and services to
- 2 market.
- 3 Q. And how long did you have that job?
- 4 A. That specific job was two years, but I still have a role
- 5 in that capacity today.
- 6 Q. Okay. And did your job change in 2014?
- 7 A. Yes. In 2014, I actually came back to Atlanta, Georgia,
- 8 where I live today, and I became the executive director of
- 9 product marketing strategy, the role that we talked about
- 02:26:15 10 | earlier.
 - 11 Q. Okay. What is product marketing?
 - 12 A. Sure. That's a fair question. So product marketing
 - 13 | basically is looking very intently at the needs, wants, and
 - 14 desires of our consumers and understanding what they need or
 - 15 | want from a company like ours and then turning around and
 - 16 | looking at what types of products and services that we can
 - 17 deliver in order to entice the consumers to do business with
 - 18 us.
 - 19 Q. Okay. Well, how is product marketing different than,
- 02:26:43 20 | let's say, advertising?
 - 21 A. Sure. So product marketing is the division of the company
 - 22 | that helps define what the product will be that we offer to our
 - 23 | customers, but advertising is another part of marketing that
 - 24 helps educate the consumer on what the product is. It gives
 - 25 | them awareness about it. It gives them education about it, and

1 | tells them how they can purchase it.

2 You'll see advertising on websites; you'll see

- 3 | advertising in your mailbox, on TV, all those kinds of things.
- 4 So that's a communications arm of marketing.
- 5 Q. Okay. I think you've referred so far in your testimony to
- 6 both customers and consumers. Are they the same?
- 7 A. They are not exactly the same. There are some nuances
- 8 there. So when I'm referring to consumers, I'm talking about
- 9 | the marketplace as a whole. All of us in this room, we are all
- 02:27:30 10 | consumers of products. Whether we do have a relationship with
 - 11 | a specific company or not, we're consumers of different
 - 12 products.
 - So when I'm talking about customers, I'm talking
 - 14 | about people who we have an existing relationship with. They
 - 15 pay us every month, and they subscribe to our services.
 - 16 Q. So when you think about consumer research, can you give an
 - 17 | example as to how these two terms, "consumer" and "customer,"
 - 18 might be different from Cox's perspective?
 - 19 A. Sure. As I talked about, the customer is a person that we
- 02:27:56 20 | currently have a relationship with. We currently do business
 - 21 with them, and so when we're doing research, we want to
 - 22 | continue -- we want to understand what it takes to continue to
 - 23 make them a happy customer.
 - However, consumers are people we don't currently have
 - 25 a relationship with, so we need to earn their business. We

- 1 | need to figure out why they choose not to do business with us.
- 2 | Maybe they're entrenched with their current provider in the
- 3 marketplace, or maybe they have been with us before and they've
- 4 | left us, and so when we are doing consumer research, we're
- 5 looking specifically about why customers are rejecting us.
- 6 Q. Okay. I want you to direct your attention back to
- 7 2013-2014 time frame. Do you know whether Cox had a mission
- 8 statement or motto during this period that influenced the way
- 9 that you would make decisions as a product marketer?
- 02:28:42 10 A. Sure, absolutely. I was talking about how I worked in Las
 - 11 | Vegas, Nevada, during that time frame, and there's actually a
 - 12 mission statement that was on the walls of our building there,
 - 13 and it was to be the most trusted provider of entertainment and
 - 14 | communication services in America.
 - 15 Q. And during this same time frame, did you have any
 - 16 | responsibility for product marketing for Cox's high-speed
 - 17 | internet service?
 - 18 A. Yes, absolutely.
 - 19 Q. And what was the nature of your responsibility for product
- 02:29:07 20 marketing related to that product?
 - 21 A. Yeah. So a lot of things that we would think about is
 - 22 | what price to charge for the product, what speeds to offer for
 - 23 | the product, as well as how to differentiate that product from
 - 24 other products in the marketplace that looked very similar from
 - 25 our competitors.

1 Q. Okay. Would you explain -- please explain to the jury how

important it is, if at all, that as part of your job in

3 | marketing, to understand what consumers want?

2

9

21

23

02:29:54 10

4 A. Yeah, absolutely. So as you know, the marketplace that

5 | we're in today is a very competitive marketplace, and so

6 | there's lots of people offering options to our consumers. If

7 | we don't bring to our consumers things that they think are

8 relevant, things that they would value, and things that would

get them to spend money with us, then they'll reject us. So

it's very important for us to understand that.

11 Q. Okay. Generally speaking, Mr. Negretti, what kind of

12 | consumer research do you consider when assessing how best to

position Cox's products to consumers?

14 A. Sure, absolutely. There's a wide range of consumer

15 studies that can be done. We could do everything from

16 purchasing syndicate research, which is research that a third

17 | party creates and then can share with us in terms of their

18 insights about the marketplace.

19 We could do things like field our own research. We

02:30:23 20 | could hire a team of researchers to go out and ask consumers

exactly what they're thinking. We could do things like focus

22 groups, where we sit down with a few customers and ask them

questions directly and understand from them what their

responses may be.

We can do things in terms of sitting in their homes

- 1 | with them and watching how they use our products and services
- 2 so we understand what points of friction are and where there
- 3 | are responsibilities to make it better.
- 4 Q. Have you ever heard of a group within Cox by the name of
- 5 the consumer insights group?
- 6 A. Yes, absolutely.
- 7 Q. Who are they?
- 8 A. So the consumer insights group is another part of the
- 9 | marketing group, just like the advertising group. These folks
- 02:30:59 10 | are a support group for us. So when we're thinking about the
 - 11 | strategic question that we want to answer or the hypothesis we
 - 12 have in terms of what a consumer might want and does that meet
 - 13 | the products and services that we want to bring to market,
 - 14 | they're the people that are directly responsible for creating
 - 15 | the research elements that go into coming up with that answer
 - 16 for us.
 - 17 Q. Have you personally worked with them in the past?
 - 18 A. Yes, absolutely.
 - 19 Q. Can you describe how you work with the consumer insights
- 02:31:25 20 group to help you figure out what consumers want?
 - 21 A. Yes. So as I was explaining before, often we will have a
 - 22 hypothesis in terms of the idea that we have based off our
 - 23 | prior knowledge. We might even have a strategic question or
 - 24 problem that we're trying to solve for, but we don't know how
 - 25 to get an unbiased understanding of what the consumer is

- 1 | thinking, and so the consumer insights team will work with us
- 2 to figure out what type of survey instrument or what type of
- 3 research mechanism should be used to get that answer in the
- 4 most unbiased way possible.
- 5 Q. And what are some of the tools that the consumer insights
- 6 group uses to determine what consumers want?
- 7 A. Sure, absolutely. There's lots of different surveys that
- 8 | could be done, surveys where they call you on the telephone and
- 9 ask you questions, surveys where they send you an e-mail and do
- 02:32:15 10 | something online with you. It could be things like
 - 11 qualitative, which is asking a series of open-ended questions,
 - 12 or quantitative, which is asking very discrete questions, in
 - order to help build some of that information.
 - 14 Q. And generally speaking, can you explain to the jury what
 - 15 | consumer surveys would show relative to Cox's broadband
 - 16 | service?
 - 17 A. Well, it often shows the top things that drive a customer
 - 18 to consider broadband and where points of friction are with the
 - 19 | service, and even some of the less desirable reasons why they
- 02:32:44 20 | wouldn't consider broadband service at all.
 - 21 Q. And can you describe what kinds of questions you would
 - 22 expect a consumer survey in Cox's broadband service to ask?
 - 23 A. A perfect example would be if I gave you a list of ten
 - 24 choices, can you explain to me your top two reasons for making
 - 25 | a choice for internet? Why do you use it in the home? What

- 1 | are your top five reasons for using the internet in your home?
- 2 What speeds do you need in your home in order to feel satisfied
- 3 as a customer?
- 4 Those are probably some examples of questions we
- 5 | would ask.
- 6 Q. And do they also do research on competitors?
- 7 A. Absolutely.
- 8 | Q. So in your experience in product marketing, why do people
- 9 | choose Cox for internet service?
- 02:33:29 10 A. Yes. So there's two key reasons, and this is a two
 - 11 longstanding key reasons why people choose our service. Number
 - 12 one is based on the speeds that we provide in the marketplace,
 - 13 | and number two is based on the price that we charge for our
 - 14 service.
 - 15 Q. So relative to other factors, including the one that you
 - 16 | mentioned, do you know whether speed is an important
 - 17 | consideration for consumers?
 - 18 A. Yeah. It's actually the leading consideration for a
 - 19 | consumer. As much as we as product marketers would like to
- 02:33:58 20 differentiate some of those considerations, it is the leading
 - 21 | reason why consumers choose internet providers in the
 - 22 marketplace.
 - 23 | Q. And do you have an understanding about what drives
 - 24 | consumers' desire for high speeds?
 - 25 A. Sure. If you think about your own lifestyles and you

- 1 | think about the things that you're doing in your home, it's
- 2 | very similar to the consumers that we're talking about here,
- 3 | which is consumers have a need and want information inside
- 4 their home on their different devices. They're doing things
- 5 like streaming videos, and they're doing things like looking up
- 6 things on social media. They're participating in society and
- 7 | shopping using the internet, and so the more speed they have,
- 8 the more satisfactory that performance is.
- 9 Q. Do you know whether Cox actually promotes the speed of its
- 02:34:41 10 | service?
 - 11 A. Yes, absolutely.
 - 12 O. How does it do that?
 - 13 A. Often we will talk about their reasons to do business with
 - 14 us, but at the end of the day, the consumer wants to get down
 - 15 to brass tacks in making a purchase decision, and again, that
 - 16 | purchase decision is based off of speed and price, and so we
 - 17 | will showcase those speeds and those prices in the marketing
 - 18 piece.
 - 19 Oftentimes, however, the speed of the service falls
- 02:35:07 20 | flat in terms of what a consumer can do with it. They don't
 - 21 understand what of 60 meg or 80 meg or a gig of speed does for
 - 22 them, so we will have to paint visual illustrations for them to
 - give them examples. If you're this type of household, this is
 - 24 what you can use the internet for at this speed.
 - 25 Q. So how do you bring it to life, the notion of speed?

- 1 A. Well, what we'll do is we'll create messages and images on
- 2 | the marketing pieces, for example, that depict, for example,
- 3 | people -- a group of people sitting in their living room on
- 4 their tablets or their laptops watching streaming video,
- 5 posting to social media, doing electronic gaming, things like
- 6 that.
- 7 Q. And have you learned the types of internet activities that
- 8 | speed is important for?
- 9 A. Yes, absolutely.
- 02:35:49 10 Q. What are they?
 - 11 A. Yeah, it's not a surprise because I've said it a couple
 - 12 | times, but by far and away, people want to be able to consume
 - 13 | content, and when I mean consume content, things like streaming
 - 14 | video, being able to watch Netflix. People like posting to
 - 15 | social media, being able to post to Facebook. People like
 - 16 being able to use their electronic gaming machines to --
 - 17 | particularly the younger generation, to be able to play video
 - 18 games.
 - 19 Q. Mr. Negretti, have you assisted in the preparation of
- 02:36:22 20 | certain slides to illustrate the different activities in which
 - 21 | speed is used with your internet service?
 - 22 A. Yes, absolutely.
 - 23 | Q. Okay. I'd like to ask you to take a look at your, your
 - 24 slides and take the jury through what you've presented.
 - 25 A. Sure. And I thought it was helpful to go through some

1 basic terms in terms of the speed of internet comes through for

2 three or four different ways for the consumer. The first one

3 | is streaming, and I talked about wanting to get access to

4 things like Netflix, and so that's the top use, one of the top

5 uses of the internet today and was for -- has been for quite

6 some time.

8

9

19

2.1

02:37:40 20

And so when you're streaming, you're basically pulling information down from a single server or remote location onto your devices of choice in the living room.

02:37:11 10 for example, you see a family of four using the internet for

11 different purposes. They're streaming information to them.

12 They're not bringing or downloading that information to them.

13 It's located on a remote location.

14 Q. Please proceed to your next slide.

15 A. Sure. So we often talk about downloading as well. You'll

16 hear that term used, and you've probably used it yourself.

17 Downloading is slightly different but achieves the same

18 purpose. So instead of information staying on that remote

server, it's being pulled down from that remote server onto the

customer's device. So the customer then has a copy of that

information.

22 A pretty common use of this is downloading a photo or

23 | downloading a file such as a Word document or a PowerPoint

24 document. Then you physically have a copy of it on your device

25 as well.

- 1 Q. And what do you show in your next slide?
- 2 A. Sure. And then the internet is also a two-way
- 3 | communication device, which means not only can I get
- 4 information from it; I can put information on it, and I think a
- 5 lot of people are doing this today in terms of being able to
- 6 | use the internet to upload.
- 7 And so taking the information that's on my device, on
- 8 | my cell phone, or on my laptop, and uploading it to the
- 9 internet, to that remote server so that other people can see
- 02:38:19 10 | it. A perfect example is using it to upload photos of my
 - 11 family.
 - 12 Q. How has Cox changed its marketing based on its
 - 13 understanding as to how people use the internet?
 - 14 A. Sure, absolutely. As consumer needs change in the
 - 15 marketplace, which they often do, and as the competitors
 - 16 | continue to come out with their own versions of products and
 - 17 | services that they can offer their customers, we have to
 - 18 | continue to make sure that our marketing messages stay relevant
 - 19 to the consumer, particularly the person that we don't yet have
- 02:38:46 20 | a relationship with. We need to be able to cut through the
 - 21 clutter and explain to them why we have a strong value
 - 22 proposition.
 - 23 Q. And what activities were you emphasizing in the 2013-2014
 - 24 time frame?
 - 25 A. Yeah. Again, it's somewhat unchanged from today, which is

1 | that we're emphasizing the speed and the price of the services.

- 2 Q. Okay. Any particular type of activity?
- 3 A. Sure. Things like streaming video from Netflix. Again,
- 4 | not to wear that point down, but that's a very important part
- 5 of why consumers use the internet, being able to access things
- 6 like YouTube and post videos on YouTube, social media.
- 7 Q. And just again harkening back simply to the issue of
- 8 speed, based on your familiarity with how your competitors
- 9 promote their high-speed internet, is Cox unique in promoting
- 02:39:36 10 the speed of its services?
 - 11 A. Well, again, as a product marketer, I like to think that I
 - 12 | can bring a unique flavor to their experience, and in a lot of
 - 13 | ways, we try to understand from the consumers' perspective what
 - 14 unique things that we can do, but at the end of the day,
 - 15 | they're often making a tradeoff between the speed that they can
 - 16 | get from us and the price that they have to pay for it.
 - 17 We will often try to insert things like the trusted
 - 18 | factor of doing business with us or the reliability factor of
 - 19 doing business with us, but the consumer most often is making a
- 02:40:03 20 | decision based on us and other companies in the marketplace
 - 21 based on the speed and the price of our services, and that's
 - 22 how they're marketed in the marketplace.
 - 23 Q. So in your experience at Cox, is the desire for fast
 - 24 | internet service uniquely associated with any particular kinds
 - 25 of uses?

- 1 A. Well, as we talked about, and that's perhaps one of the
- 2 benefits of those definitions, streaming capacity uses a lot of
- 3 | internet speed, and so the ability to stream better comes with
- 4 the ability to have higher speeds.
- 5 Q. What are high -- what are bandwidth intensive uses?
- 6 A. Yes. So streaming content is one of them. Watching shows
- 7 on Netflix, electronic gaming, playing things like Fortnite, if
- 8 you have children that are doing that, those are things that
- 9 | are high bandwidth intensive usage activities.
- 02:40:57 10 Q. Okay. I'd like you to turn to, it may be Exhibit -- it
 - 11 may be tab 1 in your binder. It's Defendants' 239.
 - 12 And I think, Your Honor, this is the one document
 - 13 where the parties agreed to substitute for purposes of the
 - 14 examination a more legible copy.
 - 15 THE COURT: All right.
 - MR. ELKIN: An older document.
 - 17 THE COURT: All right. Thank you.
 - 18 THE WITNESS: Tab 1 or tab 2?
 - 19 BY MR. ELKIN:
- 02:41:24 20 Q. It should be, the first page should be Opportunities to
 - 21 Maximize Demand.
 - 22 A. Tab 2, yes.
 - 23 Q. Yes. And do you know who prepared this document?
 - 24 A. This is a document prepared by our consumer insights group
 - 25 that we spoke about earlier.

- 1 Q. And did the Cox product marketing team play any role in
- 2 | the preparation of this study?
- 3 A. Yes. We were the customer for a document like this.
- 4 Q. And was this study conducted by Cox in the ordinary course
- 5 of its business?
- 6 A. Absolutely.
- 7 Q. And was this document maintained by Cox in the ordinary
- 8 | course of business?
- 9 A. Absolutely.
- 02:41:53 10 MR. ELKIN: Your Honor, I would offer into evidence
 - 11 Defendants' Exhibit 239.
 - 12 THE COURT: Any objection?
 - MR. ZEBRAK: No objection, Your Honor.
 - 14 THE COURT: It's received.
 - MR. ELKIN: Thank you, Your Honor.
 - 16 BY MR. ELKIN:
 - 17 Q. Mr. Negretti, could you just explain to the jury what this
 - 18 study is?
 - 19 A. Yeah, absolutely. So this document that we're looking at
- 02:42:10 20 here was done, like many documents, to understand different
 - 21 ways that we could package our internet services. As the
 - 22 environment became more and more competitive, as we spoke about
 - 23 | earlier, it became important for us to understand are there
 - 24 different things that we could package together in our internet
 - 25 service to make our internet service more attractive to the

- 1 consumers in the marketplace.
- 2 Q. Okay. And what's the date of this?
- 3 A. This was done in August of 2014.
- 4 Q. Okay. Turn to the second page of this exhibit, and can
- 5 you read the second sentence under the word "Objectives"?
- 6 A. Starting with "Cox management"?
- $7 \quad Q. \quad Yes, sure.$
- 8 A. Sure. Cox management seeks to explore alternative ways of
- 9 packaging its internet services to both increase appeal among
- 02:42:58 10 key consumer segments and simplify decision making.
 - 11 Q. Why did Cox management want to do this?
 - 12 A. Again, the environment continues to be competitive in the
 - 13 marketplace, and at this time, it was very competitive, with
 - 14 | alternative sources of high-speed internet available to them,
 - 15 and so Cox wanted to make sure that we had the best products
 - 16 and services for the customers to choose from in the
 - 17 marketplace, and so this was --
 - 18 Q. And how did this study concern itself with understanding
 - 19 | how Cox's customers use the internet?
- 02:43:26 20 A. There's a couple different ways. It asks them when you're
 - 21 making a selection for your internet provider, what's important
 - 22 | to you? And then when you're using the internet, what's
 - 23 | important to you? And then it asks them to give us answers
 - 24 based off of that.
 - 25 Q. Okay. Turn to the sixth page of this exhibit. It should

- 1 be on your monitor as well.
- 2 A. Yes. Price and download speed?
- 3 Q. Tell the jury what this, this slide depicts.
- 4 A. Sure. So I talked about wanting to understand what
- 5 | features are important to a consumer when they're making a
- 6 selection for an internet provider, and this is a stack ranking
- 7 of different features that we thought of and thought were
- 8 important to the consumer, and we wanted to get a reaction from
- 9 them how important they were.
- 02:44:21 10 And it's broken up into four different key areas:
 - 11 | core features, things that are absolutely important; important
 - 12 | features, things that are equally important but maybe slightly
 - 13 less valuable; and then so on and so forth down to less
 - 14 important features.
 - So what this basically does is it helps us understand
 - 16 | when a customer is making a selection for internet, why they
 - 17 | might be choosing it.
 - 18 Q. Okay. Do you see the material in the box following the
 - 19 | first paragraph? In the second line in parentheses, it says
- 02:44:52 20 N = 1513. What does that refer to?
 - 21 A. Yes, okay. Great point. That means this is how many
 - 22 people were surveyed and gave responses to us to these
 - 23 | questions. So the 1,513 people were asked and gave responses
 - 24 to these questions.
 - 25 Q. Okay. And do you -- on this slide, are there

- 1 characteristics that are identified as the core features?
- 2 A. Yes. There's two, and they're not different from what I
- 3 | had been talking about earlier, which is the monthly
- 4 subscription price of internet as well as the download speed of
- 5 the service.
- 6 Q. Okay. And does this slide also refer to download speed
- 7 and upload speed?
- 8 A. Yes, it does.
- 9 Q. To what extent in your experience is download speed
- 02:45:36 10 | related to downloading content to a subscriber's computer?
 - 11 A. That's the key thing in terms of being able to use the
 - 12 | internet, either downloading or streaming services to their
 - 13 devices for enjoyment.
 - 14 Q. And to what extent does download speed apply to streaming
 - 15 applications?
 - 16 A. Again, these are -- this is -- the best visual way to
 - 17 | think about this is download speed refers to the number of
 - 18 lanes available to a consumer on a freeway, and then the more
 - 19 lanes they have, the faster download speeds they have available
- 02:46:08 20 | to them to be able to get to the content they want.
 - 21 Q. Okay. Please turn to page 8 of this exhibit. What does
 - 22 | this slide depict?
 - 23 A. Okay. So this is slightly different. The slide before it
 - 24 talked about why you might make a selection of internet
 - 25 providers. This one gets into frequent internet activity that

- 1 the consumer is actually using inside their home.
- 2 So this talks about, again, a stack ranking based on
- 3 choices that the consumer was given about what they're using
- 4 the internet for.
- 5 Q. And how does streaming audio and video relate to
- 6 downloading in terms of what's more prevalent --
- 7 A. Well, first of all --
- 8 Q. -- that's depicted on this slide?
- 9 A. -- as you see here, it's actually 20 percent more
- 02:46:48 10 | important to a consumer in terms of what they're using the
 - 11 internet for than downloading speeds, for example, downloading
 - 12 things.
 - 13 Q. And have you observed trends in your work at Cox in how
 - 14 | consumers use the internet to consume music?
 - 15 A. Sure, absolutely.
 - 16 Q. Could you comment on that?
 - 17 A. Sure. Again, then, just as today, there are services such
 - 18 as iHeartRadio, Pandora, and Spotify available to a consumer to
 - 19 | allow them to stream music services into their home, not only
- 02:47:17 20 onto their, you know, laptops and tablets, but also on their
 - 21 phones so they can use inside and outside of the home to be
 - 22 able to listen to music.
 - MR. ELKIN: Okay. You can take that down, James.
 - 24 BY MR. ELKIN:
 - 25 Q. In your job, did you ever review at any time any surveys

- 1 or studies that looked at the prevalence of copyright
- 2 infringement by consumers?
- 3 A. There's two answers to that. The first answer is no, and
- 4 then the second answer is not only did I not review it, we
- 5 never fielded any studies like that.
- 6 Q. And why is that?
- 7 A. It's not helpful to us. It doesn't help us understand
- 8 | what the consumer wants to use the internet for. As you saw
- 9 earlier, there's lots of different uses for the consumer to use
- 02:48:02 10 | the internet both in terms of making a purchase decision and in
 - 11 | what they actually use the internet for, and that's not
 - 12 | something that helps us.
 - Mainly, it's an illegal activity that we don't want
 - 14 anything to do with.
 - 15 Q. To your knowledge, do you know whether Cox ever asked
 - 16 | survey questions about copyright infringement in any consumer
 - 17 | surveys?
 - 18 A. No.
 - 19 Q. Have you ever reviewed any surveys or studies that concern
- 02:48:30 20 | consumers' use of peer-to-peer file sharing?
 - 21 A. Sure. And that's a little different than infringing
 - 22 copyrighted material.
 - 23 Q. And what effect did that information, file sharing, have
 - 24 on Cox's marketing strategies?
 - 25 A. Not much. Although there are some mentions in some

Case 1:18-cv-00950-PTG-JFA Document 656 Filed 12/17/19 Page 38 of 132 PageID# 27756 1903 1 different research studies from time to time about the presence 2 of peer-to-peer as a source of activity for consumers, it doesn't rate high or popular with most of our consumers, so 3 it's not something that we actively use to create messages. 5 Okay. Take a look at the other exhibit in your binder, Q. 6 and this is Defendants' Exhibit 337. Α. Okay. Do you know -- have you seen this document before? 9 Yes. A member of my team, Robert Jordan, prepared this document. 02:49:24 10 Okay. And do you know whether Mr. Jordan prepared this in 11 12 the ordinary course of business? 13 Yes, he did. Α. 14 Did he have a business duty to do so? 15 Yes, he did. Α. 16 Was this maintained in the ordinary course of business at 17 Cox? 18 Yes, it was. Α. 19 MR. ELKIN: Your Honor, I would offer into evidence 02:49:39 20 Defendants' Exhibit 337.

- 21 THE COURT: Any objection?
 - 22 MR. ZEBRAK: No objection, Your Honor.
 - 23 It's received. THE COURT:
 - 24 BY MR. ELKIN:
 - 25 Could you take the jury through the contents of this?

1 A. Yes. So this is a relatively simple document. This is a

- 2 rate card basically. This tells us internally at Cox
- 3 | Communications the different rates that we charged in 2013,
- 4 according to this sheet here, and then there's a second tab for
- 5 2014, that we charged for our internet services.
- And the simple way to read this is on the left-hand
- 7 | side or the left axis, the Y axis, was a list of all the
- 8 different cities in which we offered our high-speed internet
- 9 service in 2013. Then along the top of the page, or the X
- 02:50:19 10 axis, was a list of the five or six different internet tiers
 - 11 | that we offered our consumers -- our customers at that point in
 - 12 | time. There were starter and essential tiers, which were lower
 - 13 | speed tiers, on up to premium and ultimate, which were higher
 - 14 speed tiers.
 - And then this simply is a rate card that lists out
 - 16 | the rates that we charge for a customer who had other services
 - 17 | with us as well as internet, such as cable TV and/or telephone
 - 18 | service or just purchased internet by itself.
 - 19 Q. And what were the years covered by these rack rates?
- 02:50:52 20 A. I'm sorry, say that again?
 - 21 Q. What were the years covered? What years?
 - 22 A. Yes. So again, this is 2013 on this page here. There's a
 - 23 | subsequent tab at the bottom that shows the rack rates for
 - 24 2014.
 - 25 Q. And why are there different -- on the left-hand side of

- 1 each of these two pages, there are different locations. Why,
- 2 | why do you have different locations?
- 3 A. Yeah. So we serve different parts of the country with our
- 4 | internet services, and so at that point in time, these
- 5 individual markets, as we call them, or cities all had their
- 6 own responsibility for creating these internet services and
- 7 distributing them to our customers, and so this shows the
- 8 different rates that were charged. A lot of them started to be
- 9 | the same, but there are some differences in different parts of
- 02:51:39 10 | the -- in different parts of the geography.
 - 11 Q. Will the rack rates vary by geographic region?
 - 12 A. Yes. There are some examples here, for example, where in
 - 13 Kansas, Arkansas, we charge 46.99 for our essential product,
 - 14 and in Tulsa, Oklahoma, we charge 44.99 for the same product.
 - 15 Q. Okay. And what are the differences among the different
 - 16 | tiers of services?
 - 17 A. Sure. There are two key differences. Key difference
 - 18 | number one, as I mentioned, is the download speed or the speed
 - 19 of internet service. So again, the starter and the essential
- 02:52:14 20 | tiers, they were slower tiers; and then the higher you go
 - 21 across this page, the faster those internet service speeds
 - 22 | would be.
 - 23 And then the second difference would be the amount of
 - 24 data consumption that you would get with each of these tiers.
 - 25 Q. And could you take the jury through the differences in the

- 1 amount of data that a subscriber can use for different tiers of
- 2 | service?
- 3 A. Yes. So I don't have the exact amounts of data off the
- 4 | top of my head, but what I'll say is similar to the speeds, the
- 5 more speed you purchase and the more you pay for your service,
- 6 | the more data consumption that you are allotted for each of
- 7 those tiers.
- 8 Q. Was there a limit on the amount of data that they could
- 9 use?
- 02:52:48 10 A. There was a limit.
 - 11 Q. Do you know whether or not those limits were enforced
 - 12 | during the 2013 to 2014 period?
 - 13 A. Unfortunately, they were not enforced.
 - 14 Q. So in your experience, what factors are the most important
 - 15 in driving consumer preference -- you can take that down.
 - 16 Sorry. Withdrawn.
 - 17 In your experience, what factors are the most
 - 18 important in driving consumer preferences for increased speed?
 - 19 A. Again, we've been talking a lot about this in the last
- 02:53:18 20 | half-hour or so, but it comes down to the speed and the price
 - 21 | that they pay for the service based on what they want to use it
 - 22 | for, being able to use it in their home to be able to get to
 - 23 | things like Netflix, streaming video through their iPhone or
 - 24 their tablet, for example.
 - 25 Q. So in your -- in your knowledge and capacity in product

- 1 marketing, to what extent does Cox want to retain existing
- 2 customers?
- 3 A. Yes. It's very beneficial of us to keep our existing
- 4 customers. We've invested in those customers. We've offered
- 5 them discounts to do business with us, and it's a lot easier
- 6 | financially for us to maintain a relationship with them than
- 7 going out into the marketplace and acquiring new subscribers.
- 8 Q. Are there some customers that aren't good for Cox?
- 9 A. Sure, absolutely. There are many customers.
- 02:54:05 10 Q. Which ones?
 - 11 A. Well, we talked earlier about people who use the internet
 - 12 | for copyright infringement. Those customers are not good for
 - 13 Cox.
 - 14 Q. Why not?
 - 15 A. Well, first of all, they're doing an illegal activity, and
 - 16 | we don't want anything to do with that.
 - 17 Q. To what extent, if you know, does Cox benefit if
 - 18 subscribers access content illegally for free?
 - 19 A. It's actually not a benefit. It's a risk.
- 02:54:32 20 Q. Is there any -- to what extent does Cox give customers
 - 21 | special treatment with respect to copyright infringement
 - 22 because they bring in a lot of revenue?
 - 23 A. We don't give them any special treatment. In fact, we
 - 24 | would probably prefer not to do business with them at all.
 - 25 Q. Why not?

1908 Again, they're doing something fraudulent and illegal, and 1 Α. 2 we prefer them to do it on someone else's network, not ours. 3 Thank you very much. I pass the witness. THE COURT: All right. Thank you. 4 5 Cross-examination, Mr. Zebrak? 6 MR. ZEBRAK: Yes, Your Honor. Thank you. CROSS-EXAMINATION 8 BY MR. ZEBRAK: 9 Good afternoon, Mr. Negretti. Nice to see you again. Nice to see you as well. 02:55:18 10 Α. Before we get into the questions I'm going to ask you, I'd 11 12 like to begin by the slides that you prepared for today. 13 Α. Sure. 14 Do you recall talking about those? 15 Α. I do. 16 Okay. And you testified that you prepared those slides; 17 is that correct? I gave guidance on how the slides should be prepared, ves. 18 19 Well, first of all, in those slides, remember there were little bits floating around for uploading and downloading? 02:55:46 20 2.1 Α. Sure. 22 And you were talking about content being consumed, right? 23 Content being passed from the internet to the customer or 24 from the customer back to the internet, yes. 25 And content, for instance, music, right?

- 1 A. Yes. It could be. It wasn't specific, but it could be.
- 2 Q. And -- well, I mean, you're aware that many Cox customers
- 3 download music using the Cox service, right?
- 4 A. I do know that customers use music streaming sites such as
- 5 | iHeartRadio and Spotify, absolutely.
- 6 Q. Cox doesn't create sound recordings or musical
- 7 | compositions, does it?
- 8 A. We do not.
- 9 Q. It makes money as people are uploading and downloading
- 02:56:27 10 | that content, right?
 - 11 A. Well, we make money off of people who pay us to use the
 - 12 internet for the purposes they want to, correct.
 - 13 Q. So let's turn your attention back to your slides for a
 - 14 | minute. We don't need to pull them up, but do you recall the
 - 15 | first slide had a little girl with a teddy bear in it?
 - 16 A. I do maybe recall that, yes.
 - 17 Q. And I think it had a father watching baseball on his
 - 18 | computer. Do you recall that?
 - 19 A. I do recall that, yes.
- 02:56:52 20 Q. And in some later slides, I think there was one of perhaps
 - 21 Christmas morning with snowflakes outside?
 - 22 A. Sure. Very relevant for this time of the year, sure.
 - 23 Q. And I think there was a little, a little puppy there as
 - 24 well?
 - 25 A. Perhaps, yes.

- 1 Q. Did you ask for that to be included in the slides?
- 2 A. Well, my intent was to be able to convey as best as we
- 3 | could to the audience here today the differences between
- 4 streaming, downloading, and uploading. The artistic licensing
- 5 was just probably the best way to bring that forward.
- 6 Q. So to depict streaming or downloading, you needed to show
- 7 | teddy bears and puppy dogs and Christmas? Is that what you're
- 8 saying?
- 9 A. I wanted to show a visual representation. As a marketer,
- 02:57:29 10 | it's always my job to make sure that people understand in clear
 - 11 | visual images what these terms mean. So when I'm talking about
 - 12 | speeds of internet, if I'm talking about the services that
 - 13 | we're charging a customer for or giving an example in a
 - 14 | courtroom, creating a visual image to stimulate that is very
 - 15 important, yes.
 - 16 Q. Do you know how many Cox subscribers were the subject of
 - 17 | plaintiffs' copyright infringement notices to Cox?
 - 18 A. I do not, no.
 - 19 Q. You don't. You spent time preparing for your deposition
- 02:57:57 20 | in this case, right?
 - 21 A. I did, yes.
 - 22 Q. At least a full day, right?
 - 23 A. Yes.
 - 24 Q. Did you spend time preparing for your trial testimony
 - 25 today, sir?

1911 1 Yes, I did. Α. How long was that? Several weeks, yes. 3 Preparing for several weeks? 4 5 Α. Yes. 6 Q. And one of the topics that you were designated for as a person most knowledgeable as a Cox corporate 8 representative at your deposition was Cox's knowledge of copyright infringement of music by its subscribers using 9 BitTorrent, wasn't it, sir? 02:58:31 10 That's correct. 11 12 And you understand that today's case is copyright 13 infringement, right? 14 Α. That is correct. 15 And do you understand who the plaintiffs are in this case? 16 Α. I do. 17 And your testimony, though, is you have no idea how many Q. 18 Cox subscribers have been the subject of plaintiffs' 19 infringement notices to Cox? 02:58:55 20 That's correct. As a product marketer, this is not 21 something that I need to understand to be able to acquire 22 subscribers. 23 Right. So it's not your testimony that the, the scenes 24 that you painted in the slides with teddy bears and the puppies 25 and all that other stuff is indicative in any way of the

- 1 | subscribers who are the subject of the plaintiffs' notices to
- 2 Cox, correct?
- 3 A. It is not the intent to show that there is infringed
- 4 activity happening in those slides, correct.
- 5 Q. You referred to a survey from the consumer insights group
- 6 during your direct testimony. Do you recall that?
- 7 A. Is it the exhibit that we were showing?
- 8 Q. Yes, sir.
- 9 A. Yes.
- 02:59:45 10 Q. Okay. And that's a survey from Cox's consumer insights
 - 11 group, correct?
 - 12 A. That is correct.
 - 13 Q. The consumer insights group conducts many surveys each
 - 14 | year, right?
 - 15 A. Absolutely.
 - 16 | Q. In fact, Cox spends millions of dollars per year doing
 - 17 research on how its customers use the internet, correct?
 - 18 A. I don't know the exact dollar amount, but we spend
 - 19 extensive money and time trying to understand the uses of the
- 03:00:10 20 | internet that our customers have.
 - 21 Q. Sure. How many people are in the consumer insights group,
 - 22 generally speaking?
 - 23 A. At this point in time or in 2013-'14?
 - 24 Q. Let's do 2013-'14.
 - 25 A. Probably eight to ten people perhaps.

- 1 Q. And lots of their work involves use of outside survey
- 2 | entities, right, to conduct the surveys?
- 3 A. Correct. Both and inside survey design, survey fielding,
- 4 and then being able to create those surveys into output
- 5 statements for us.
- 6 Q. And through those surveys, Cox has learned that a
- 7 | substantial portion of its subscriber base uses Cox's internet
- 8 | service for peer-to-peer activity, correct?
- 9 A. I don't recall that being a relevant finding in any of our
- 03:00:55 10 surveys, no.
 - 11 Q. Is it your testimony that you're unaware that a
 - 12 | substantial portion of Cox's network traffic involves
 - 13 | peer-to-peer activity? It's a yes-or-no question.
 - 14 A. I think to be clear, the word "substantial" is the one
 - 15 that I object to.
 - 16 Q. Cox in the course of all these customer surveys has never
 - 17 | bothered to conduct research on the extent to which its
 - 18 customers are engaging in copyright infringement, correct?
 - 19 A. I wouldn't say it never bothered. We do not find that to
- 03:01:26 20 | be valuable information to us as product marketers when
 - 21 determining what types of products to bring to our customers.
 - 22 Q. You don't want to know if they're using peer-to-peer for
 - 23 unlawful activity, correct?
 - 24 A. Well, again, peer-to-peer is different from copyright
 - 25 infringement, but we do not want to distribute products to

- 1 | consumers that enable them to use the internet illegally.
- 2 Q. Well, but you know that a substantial portion of -- well,
- 3 let's put aside the word "substantial." Whatever portion it is
- 4 of Cox's customer base that is engaging in peer-to-peer
- 5 activity, there is a certain known percentage for that,
- 6 | correct?
- 7 A. There is a certain known percentage of consumers during
- 8 | this time period that we're talking about, 2013 to '14, that
- 9 | use the internet for peer-to-peer services, correct.
- 03:02:12 10 Q. And whatever that figure is, whether it's 20 percent, 30
 - 11 percent, or some other figure, you are unaware of Cox ever
 - 12 attempting to do research to understand the extent to which
 - 13 that peer-to-peer activity is infringing activity, correct?
 - 14 A. I'm unaware of how it's being used in a relevant way for
 - 15 us to make marketing decisions, correct.
 - 16 Q. Right. Because you don't want the research in order to
 - 17 | stem the tide of infringement. You want it to help you sell
 - 18 | more internet service, correct?
 - 19 A. I want the research to be able to educate myself and my
- 03:02:44 20 | teams on how we can build products and services to maintain
 - 21 | relationship with existing customers as well as field new
 - 22 customers for our internet service.
 - 23 Q. Sir, you're aware of what a close-ended question is in a
 - 24 | survey, are you not?
 - 25 A. Yes, absolutely.

- 1 Q. And a closed-ended question is, it's kind of a multiple
- 2 | choice question, isn't it, where the options are laid out
- 3 before you?
- 4 A. Yes. That's an example of a closed-ended question,
- 5 correct.
- 6 Q. Right. As opposed to a freeform question, where the
- 7 survey respondent gets to list anything they want, right?
- 8 A. That is correct.
- 9 Q. Right. And these surveys you've talking about haven't
- 03:03:25 10 asked customers whether if Cox were more aggressive about
 - 11 enforcing its authorized usage policy, whether they would
 - 12 discontinue their subscriptions, correct?
 - 13 A. Well, again, authorized usage policies, peer-to-peer, and
 - 14 | copyright infringement are three completely separate areas. We
 - 15 | certainly have asked consumers about acceptable usage policy
 - 16 treatment. That's different than using the internet for
 - 17 | peer-to-peer services, which is also very different from using
 - 18 the internet for copyright infringement.
 - 19 Q. Well, so on one hand, you're testifying about what you
- 03:04:00 20 | know from a product marketing perspective. Now it seems you
 - 21 have some knowledge about copyright infringement, so I'd like
 - 22 to focus on the copyright infringement knowledge for a moment.
 - I asked you before about how many Cox subscribers
 - 24 | were the subject of plaintiffs' notices. Do you recall that?
 - 25 A. I do.

- 1 Q. Do you recall roughly how many notices plaintiffs sent to
- 2 Cox concerning whatever that amount of infringing subscribers
- 3 | is?
- 4 A. I don't have that information, unfortunately, no.
- 5 Q. Do you know roughly how many copyright infringement
- 6 | notices Cox receives in a year?
- 7 A. I do not have that information, no.
- 8 Q. As a product marketer, you used the term "value
- 9 proposition" before, right?
- 03:04:45 10 A. That is correct.
 - 11 Q. Right. So your job is to figure out how to add more value
 - 12 to consumers, to attract and retain, retain subscribers,
 - 13 | correct?
 - 14 A. I'll buy that, yes.
 - 15 Q. And if, if speed and price are equal, Cox hopes that
 - 16 | better customer service will be what helps it attract and
 - 17 | retain subscribers, correct?
 - 18 | A. That would be one of the additional attributes, correct.
 - 19 | Speed -- aside from speed and price, customer service, trust,
- 03:05:21 20 | reliability.
 - 21 Q. And, in fact, Cox hopes that even if at times it has a
 - 22 | slower service or is pricier, that its customer service will
 - 23 | lead consumers to want to be a Cox subscriber, correct?
 - 24 A. Yeah. If we are not able to adequately compete on speed,
 - 25 | such as a city that we're in today, where Verizon Fios offers

- 1 service, yes, by enabling a better customer service experience,
- 2 | higher levels of trust, or stronger reliable services, we hope
- 3 | that that would be able to win a customer, yes.
- 4 Q. And I believe you said before that Cox knows that some
- 5 segment of its subscribers use its service for copyright
- 6 infringement, right?
- 7 A. Yes, that's correct.
- 8 Q. Right. And, in fact, it's not just a general knowledge.
- 9 It receives infringement notices from particular rights owners
- 03:06:06 10 | telling Cox which particular accounts are being used for
 - 11 | infringement, correct?
 - 12 A. I'll have to trust you on that. That's not information
 - 13 | that I have or know or understand.
 - 14 Q. Well, you understand what infringement notice is?
 - 15 A. I do understand, but I don't understand the process in
 - 16 | which Cox received notices from other entities.
 - 17 Q. Well, so let's talk about the segment of the Cox customer
 - 18 | base that wants to use the service for infringement, okay?
 - 19 A. I don't have a lot to give you an answer on that, but
- 03:06:36 20 | we'll try, yes.
 - 21 Q. Well, I mean, you've already said that there is some
 - 22 | segment of Cox's customer base that uses the service for
 - 23 | infringement. We've already established that, right?
 - 24 A. Yes.
 - 25 Q. Okay. So whatever that pool of subscribers is, whatever

- 1 | size it is, Cox's service is more appealing for those
- 2 | subscribers, is it not, if Cox gives, gives that subscriber
- 3 | warning after warning, without terminating their service?
- 4 A. I don't have any substantiation for that.
- 5 Q. Well, you used the term "friction" in your direct
- 6 testimony. Do you recall that?
- 7 A. I do.
- 8 Q. Friction is something the customer doesn't want, correct?
- 9 A. That's correct. That's correct.
- 03:07:16 10 Q. Something that interferes with them using the service how
 - 11 | they want it, when they want it, right?
 - 12 A. Correct.
 - 13 Q. In the way they want it, right?
 - 14 A. That's correct.
 - 15 Q. For instance, a suspension would be an example of
 - 16 | friction, correct?
 - 17 A. Perhaps. If a customer was suspended for not paying our
 - 18 bill, regardless of the level of friction it creates, we don't
 - 19 | want to have a relationship with them. If a customer was
- 03:07:41 20 suspended for doing something fraudulent or illegal, we
 - 21 | wouldn't mind that friction because we wouldn't want to have a
 - 22 relationship with them.
 - 23 Q. So your testimony is that if Cox is aware that its
 - 24 customer has violated the rules for using its service, it
 - doesn't want a customer relationship with them; correct?

- 1 A. That is correct.
- 2 Q. So there'd be no reason for Cox to be told again and again
- 3 and again and again of specific subscribers engaging in
- 4 infringement but retain them as a customer, would there?
- 5 A. I don't have details on that, but I can trust that that
- 6 | would be something we would not want to do.
- 7 Q. You want your customers to have a deep connection with the
- 8 | Cox service, right?
- 9 A. That's right.
- 03:08:22 10 Q. And friction gets in the way of that, right?
 - 11 A. Correct. It does.
 - 12 Q. For example, if you're identified in notices as being an
 - 13 infringer and your service is suspended, that's an example of
 - 14 | friction, right?
 - 15 A. Well, if -- again, what we were just talking about, that
 - 16 | may be an example of friction for the consumer that we're
 - 17 | willing to take on because the consumer might be doing
 - 18 | something illegal that we don't want to do business with them.
 - 19 Q. You're aware, as we've been talking about, that Cox has a
- 03:08:50 20 | set of rules that govern its customers' use of its internet
 - 21 service, right?
 - 22 A. I am aware of that, yes.
 - 23 Q. It's called an AUP?
 - 24 A. Acceptable Usage (sic) Policy, yes.
 - 25 Q. And one of the things it does is prohibit use of the

- 1 service for copyright infringement, right?
- 2 A. That's correct.
- 3 Q. Your view, am I correct, is that if a company has a set of
- 4 rules but it doesn't enforce those rules because it thinks that
- 5 | not enforcing those rules will give its customers some added
- 6 | value, that that would be a company engaging in fraud, correct?
- 7 A. That is not my view, no.
- 8 Q. Well, sir, do you recall when I took your deposition in
- 9 this matter? Do you recall that?
- 03:09:32 10 A. Sure, absolutely.
 - 11 Q. It was on June 14 of this year?
 - 12 A. That's correct.
 - 13 Q. You had Cox's counsel with you at that deposition, right?
 - 14 A. I did, ves.
 - 15 Q. And you took an oath to tell the truth in that deposition,
 - 16 | right?
 - 17 A. To the best of my ability to the understanding of the
 - 18 questions being asked, correct.
 - 19 Q. And you took that oath seriously and told the truth,
- 03:09:54 20 | right?
 - 21 A. Absolutely.
 - 22 Q. So I'm going to now read you beginning at page 140 of your
 - 23 deposition, at line 17.
 - Question: Are you aware of whether Cox considers not
 - 25 enforcing its authorized usage policy as something as a means

- 1 BY MR. ZEBRAK:
- 2 Q. Are you aware of whether Cox considers not enforcing its
- 3 | authorized usage policy as something -- as a means for giving
- 4 added value to customers?
- 5 A. That's a funny statement. I have to be honest because
- 6 | you -- you're saying -- you're literally saying would we say
- 7 | the Acceptable Use Policy that we give and distribute to every
- 8 one of our customers, that we ask for the customer compliance
- 9 on, would we not enforce that as a way of delivering added
- 03:11:50 10 | value, and that statement doesn't make a whole lot of sense.
 - 11 That statement essentially builds to fraud, and I don't know
 - 12 | that a company could stay in business very long if we were to
 - 13 | conduct ourselves in a way that, you know, willfully commits
 - 14 fraud.
 - 15 END OF VIDEOTAPE EXCERPT
 - 16 BY MR. ZEBRAK:
 - 17 Q. That was your -- that was you in the testimony that, that
 - 18 | you just saw and that I tried to read correctly, right?
 - 19 A. Yes. That's the same testimony that you just read,
- 03:12:18 20 correct.
 - 21 Q. And, and -- well, let's just move on.
 - 22 Sir, you're aware that copyright infringement is
 - 23 unlawful, correct?
 - 24 A. That is correct. I've stated that, yes.
 - 25 Q. Are you aware that Cox has received dozens or more

- 1 infringement notices for particular specific subscribers but
- 2 | not terminated their service?
- 3 A. I don't have all the details other than the context of
- 4 | that statement.
- 5 Q. And you do accept, do you not, sir, that it's more costly
- 6 | for Cox to obtain a new customer than it is to retain an
- 7 existing one, correct?
- 8 A. Yes. Independent of the previous statement that you just
- 9 made, it is more expensive for us to acquire new subscribers in
- 03:12:58 10 | the marketplace than maintain existing ones.
 - 11 Q. Sir, are you familiar with who inCode is?
 - 12 A. I am familiar with the company, yes.
 - 13 Q. It's a strategic advisor for Cox, correct?
 - 14 A. Strategic advisor for many years of Cox, correct.
 - 15 Q. And you, you receive and have access to inCode documents
 - 16 as a regular part of your job, correct?
 - 17 A. In the past, there have been documents received by inCode.
 - 18 | In my current role, I have not seen many of those, if at all.
 - 19 Q. Well, I'm going to show you two inCode documents. We're
- 03:13:35 20 going to talk about each of them briefly. They're each already
 - 21 admitted into evidence in this case.
 - The first one is PX 212. If you could pull that up?
 - 23 And if I could have the binders, please?
 - 24 A. Okay.
 - 25 Q. All right.

- 1 A. I have it on the screen.
- 2 Q. And, sir, the first document I'm going to ask you to look
- 3 at, which has already been admitted into evidence, is PX 212.
- 4 It's in tab -- should be tab 4 of your binder. If you'd just
- 5 let me know once you're there.
- 6 A. Titled "Midterm Readout"?
- 7 Q. Yes, sir.
- 8 A. That's correct, yes.
- 9 Q. Okay. So, again, this is a -- and you've seen this
- 03:14:29 10 | document before, correct?
 - 11 A. Yes. This is a document that we reviewed during the
 - 12 deposition process, correct.
 - 13 Q. Right. And a document that you reviewed in preparation
 - 14 | for your deposition as well, correct?
 - 15 A. Both in preparation and during the deposition itself.
 - 16 Q. Right. And this, this document is among other things
 - 17 | doing an analysis to help Cox forecast broadband data usage for
 - 18 the 2012 to 2015 time frame, correct?
 - 19 A. That's correct.
- 03:14:56 20 Q. Okay. So I'd like to turn your attention, sir, to page 4
 - of this document, where it says "Executive Summary."
 - 22 A. Okay.
 - 23 MR. ELKIN: And could you highlight the second bullet
 - 24 point, please?
 - 25 BY MR. ELKIN:

- 1 Q. Do you see where it says: P2P is the most
- 2 bandwidth-intensive category?
- 3 A. Yes.
- 4 Q. You don't have any reason to dispute that at the time of
- 5 this research report from Cox's strategic advisor, inCode, that
- 6 | peer-to-peer was not the most bandwidth-intensive category, do
- 7 you?
- 8 A. In context, I don't have enough information, but I have to
- 9 trust that this is what the document represents.
- 03:15:38 10 Q. Okay. So let's -- there are a few things in this
 - 11 parentheses. This document says that -- after saying that P2P
 - 12 | is the most bandwidth-intensive category, it indicates that P2P
 - 13 households are 13 percent of all broadband households. Is that
 - 14 | correct?
 - 15 A. That's what this document says, correct.
 - 16 Q. So is that, in effect, saying that -- according to inCode,
 - 17 | that if you look at the pool of households that subscribe to
 - 18 broadband services, that 13 percent of them are using P2P,
 - 19 | correct?
- 03:16:11 20 A. That would be correct.
 - 21 Q. Okay. And it's saying here that on average, P2P
 - 22 | households use 82 gigabytes per month, right?
 - 23 A. Correct.
 - 24 Q. And it's saying here that that accounts for 21 percent of
 - 25 all internet traffic, right?

- 1 A. Correct.
- 2 Q. And as we sit here today, you have no reason to dispute
- 3 these figures, do you?
- 4 A. I do not.
- 5 Q. So when Cox received -- receives a research survey like
- 6 | this indicating that -- well, first of all -- strike that.
- 7 Do you think that -- so if Cox is told that 13
- 8 percent of its customer base is using P2P, would you call that
- 9 a substantial portion of its customer base?
- 03:17:02 10 A. I'd have to see the other uses to compare it to. If the
 - 11 other uses were in the 40 and 50 percent range, then it might
 - 12 | not be substantial.
 - 13 Q. So does Cox consider 13 percent of its overall customer
 - 14 base to be a substantial portion of its customer base?
 - 15 A. Again, the term "substantial" is subjective, so it's 13
 - 16 percent.
 - 17 Q. If Cox lost 13 percent of its customer base, it wouldn't
 - 18 regard that as insubstantial, would it?
 - 19 A. That's correct.
- 03:17:31 20 Q. Okay. So when Cox receives a research survey like this,
 - 21 | does Cox try to understand how much illegal activity is
 - 22 | happening within that very large percentage of its customer
 - 23 base?
 - 24 A. I'm not sure I associate peer-to-peer on this slide as a
 - 25 bullet point as being tied to illegal activity in any way.

- 1 It's not indicated as so.
- 2 Q. Well, you recall Mr. Elkin asking you questions about
- 3 | reviewing industry studies, right?
- 4 A. Correct.
- 5 Q. Right. So are you familiar with the fact that
- 6 | peer-to-peer is overwhelmingly infringing activity, close to
- 7 | 100 percent?
- 8 A. I am not aware of the specifics about peer-to-peer
- 9 activity other than to say peer-to-peer activity is used in
- 03:18:08 10 | many forms.
 - 11 Q. Okay. But you understand, sir, that regardless the exact
 - 12 | percentage, it's predominantly used for infringing activity, do
 - 13 | you not?
 - 14 A. I don't have any evidence to support that.
 - 15 Q. And you don't have any evidence -- so you don't have any
 - 16 evidence to dispute it, do you?
 - 17 A. Other than the fact of saying -- making that statement, it
 - 18 | could be incorrect because it's not stated as so in the
 - 19 document.
- 03:18:33 20 Q. So -- excuse me a second.
 - 21 I apologize.
 - THE COURT: You're excused for your own counsel
 - 23 | interrupting you and making it difficult for you to regain your
 - 24 train of thought. Maybe you ought to rethink that.
 - MR. ZEBRAK: Thank you, Your Honor. If my two

- 1 teenage daughters were here right now, they would be the first
- 2 to say I have a delicate concentration.
- 3 BY MR. ZEBRAK:
- 4 Q. Okay. So from a sales and marketing perspective, when you
- 5 | see a figure like that indicating that a very substantial
- 6 portion of Cox's customer base uses the service for P2P
- 7 | activity, does it matter to you whether it's legal or illegal
- 8 usage?
- 9 A. Yeah, it absolutely would matter.
- 03:19:56 10 Q. In what sense?
 - 11 A. Well, if the correlation was made that peer-to-peer
 - 12 | traffic is being used for illegal purposes, we wouldn't want to
 - 13 be able to support that in any way. If it's being used for
 - 14 | legal and authentic purposes and it's of value to us, we'd want
 - 15 | to be able to understand more about it so perhaps we could
 - 16 tailor products, services, or messages towards it.
 - 17 Q. All right. You already said, sir, did you not, that you
 - 18 | don't really understand what happens when a copyright
 - 19 infringement notice comes in to Cox, right?
- 03:20:23 20 A. I do not have full detail on the copyright infringement
 - 21 process with Cox, correct.
 - 22 Q. Right. So you don't really know what the group that
 - 23 | handles Cox's response to infringement notices does after an
 - 24 infringement notice comes in, do you?
 - 25 A. That's correct.

- 1 Q. Right. So when you say Cox wouldn't want to support an
- 2 | illegal usage, you're just speaking from your personal
- 3 perspective, right?
- 4 A. From a sales and marketing point of view.
- 5 Q. Right. You don't know about all those other areas of the
- 6 | company like the abuse group and the folks they report up to
- 7 | that might think very differently, do you?
- 8 A. I don't have firsthand knowledge of what that group's
- 9 extent is, no.
- 03:20:58 10 Q. So let's look at -- well, actually, before we leave this
 - 11 | document, I'd like you to remember that, the 82 gigabytes per
 - 12 month that the average peer-to-peer household used at the time
 - of this midterm readout. Okay?
 - 14 A. Okay. Sounds good.
 - 15 Q. Let's look at the next document, which has already been
 - 16 admitted into evidence, and it should be in your binder. It's
 - 17 PX 214, and this is the final readout. It should be behind
 - 18 tab 6 in your binder. Let me know when you're there, sir.
 - 19 A. Okay. I have this.
- 03:21:39 20 | Q. And this is also a document you've seen before, right?
 - 21 A. That's correct.
 - 22 Q. Okay. And this is the final readout that came after that
 - 23 | midterm readout, right?
 - 24 A. I'm assuming by the title of it, yes, that's correct.
 - 25 Q. And this is a document you saw in preparing for your

- 1 deposition, right?
- 2 A. That's correct.
- 3 Q. Did you see that document in the few weeks you spent
- 4 | preparing for today's trial as well?
- 5 A. I did not, no.
- 6 Q. So could you turn -- well, first of all, in this final
- 7 | readout, inCode had verified its, its analyses by matching it
- 8 | against actual Cox usage data, right?
- 9 A. I do recall that, right.
- 03:22:26 10 Q. Can you turn to page 4 of this document, sir? So -- and
 - 11 | specifically, if you could look under where it says Data Usage
 - 12 Trends and look at the third bullet point?
 - 13 If you could highlight that, Mr. Duval?
 - 14 A. Sure.
 - 15 Q. Excuse me, the second bullet point. My apologies. I'm
 - 16 looking sideways. That's my fault.
 - Do you see where it begins with: The average
 - 18 household?
 - 19 A. Yes.
- 03:23:02 20 Q. So here it says the average household in 2011 used 37.3
 - 21 gigabytes per month of traffic, right?
 - 22 A. That is correct.
 - 23 Q. And so that's less than half of the average peer-to-peer
 - 24 household, right?
 - 25 A. Well, yes, by mathematical standards, that's correct.

- 1 Q. Right. And to -- the more data that you use, the more
- 2 | speed you need, right?
- 3 A. I'm sorry, could you repeat that?
- 4 Q. More data requires more speed, right?
- 5 A. Yes. Usually, yes.
- 6 Q. Right.
- 7 A. It's not a requirement, but usually people who want more
- 8 data will get more speeds.
- 9 Q. Right. And could you turn, sir, to page 25 of this
- 03:23:53 10 | document? So this slide is profiling online activities for Cox
 - 11 to use as inputs for a data calculator, right?
 - 12 A. This is correct.
 - 13 Q. And a data calculator is where Cox tells its customers by
 - 14 engaging in the following type of activity, you use the
 - 15 | following kind of data, and it helps them forecast what tier to
 - 16 | subscribe to, right?
 - 17 A. Yes. It's a very helpful visual to be able to get a
 - 18 customer to understand what they could use the internet for,
 - 19 | correct.
- 03:24:29 20 | Q. Sure. And can you look at the right column that says Life
 - 21 Style Activities?
 - 22 A. Yes.
 - 23 Q. And do you see where it says P2P BitTorrent?
 - 24 A. I do see that.
 - 25 Q. Does Cox regard P2P and BitTorrent as a lifestyle

- 1 activity?
- 2 A. Cox doesn't -- at least Cox's sales and marketing group
- 3 | doesn't regard peer-to-peer and/or BitTorrent in many regards
- 4 whatsoever.
- 5 Q. Do you personally think that P2P is a -- or BitTorrent is
- 6 a lifestyle activity?
- 7 A. I don't have a comment on that matter, unfortunately.
- 8 Q. But you do understand that copyright infringement is
- 9 unlawful, correct?
- 03:25:05 10 A. I do.
 - 11 Q. Okay. You can put that document aside.
 - So you said that from 2014 to 2016, you oversaw
 - 13 | marketing for Cox's internet service across the whole United
 - 14 States, right?
 - 15 A. That's correct.
 - 16 | Q. And before that, you were in charge of several important
 - 17 | geographic markets for Cox but not restricted solely to the
 - 18 | internet service; is that right?
 - 19 A. That's correct.
- 03:25:41 20 Q. Okay. So you're well familiar, are you not, sir, that
 - 21 | when Cox advertises its internet service, a key issue that it
 - 22 | markets to its subscribers is speed? We've talked about that,
 - 23 | right?
 - 24 A. That is correct.
 - 25 Q. Right. And when Cox markets speed, it doesn't do it in

- 1 | the abstract, right? It tries to relate it to specific online
- 2 | activities; is that correct?
- 3 A. That's absolutely my mission and our mission as a company,
- 4 to help the customer understand that, correct.
- 5 Q. Right. Because just seeing bits and bytes doesn't mean
- 6 anything to a customer. They want to know how fast can I do a
- 7 | certain kind of activity, right?
- 8 A. That is correct.
- 9 Q. Okay. So it is true, is it not, sir, that downloading
- 03:26:21 10 | music is one of the key online activities that Cox has marketed
 - 11 to consumers while trying to sell its internet service?
 - 12 A. It is definitely a key activity. It's not the only
 - 13 activity, but it's definitely a key activity.
 - 14 Q. So -- and, in fact, it's been a very effective marketing
 - 15 | message for Cox, has it not, to advertise use of its internet
 - 16 | service for downloading music?
 - 17 A. Again, I think that's a subjective answer to whether it's
 - 18 been very effective. It is an element that we have used in
 - 19 different marketing messages in the past, correct.
- 03:26:50 20 Q. You'll acknowledge that it's been effective for Cox to
 - 21 | advertise downloading music as a marketing message to sell its
 - 22 service, right?
 - 23 A. I acknowledge that we have used it. We do not currently
 - 24 | use messages like that. One, the marketplace has changed, and
 - 25 two, the responses to that haven't been overwhelming.

- 1 Q. Okay. Sir, I'm going to remind you of something you said
- 2 | when I deposed you, which we've already established that you
- 3 tried to tell the truth and were under oath, right?
- 4 A. That's correct.
- 5 Q. Okay. So page 65 of your deposition, beginning at line 7:
- 6 So is downloading of music one of the online activities that
- 7 Cox has advertised in terms of activities where speed can be
- 8 used?
- So when downloading music was part of the consumer as 03:27:33 10 a whole, their need to access internet, the internet, when that
 - 11 | was important and popular, then that was a marketing message
 - 12 that became effective for us to use.
 - 13 A. That's correct.
 - 14 Q. Okay. So marketing your service to download music has
 - 15 been effective for Cox, correct?
 - 16 A. Has been effective at different points in time but is not
 - 17 currently an effective message that we use.
 - 18 Q. So you're saying that today, Cox doesn't advertise
 - 19 downloading music?
- 03:28:00 20 | A. That's correct.
 - 21 Q. So why don't we look at -- well, are you aware, sir, that
 - 22 | Cox for many years has tried to sell its service by relating
 - 23 | speed to downloading music in the form of a hundred songs in
 - 24 three seconds?
 - 25 A. That's correct. That is the visual imagery that we were

- 1 trying to connote when it came to music.
- Q. Right. So you admit that for many years, including 2013
- 3 and '14, Cox has advertised speed in relation to downloading
- 4 music, correct?
- 5 A. I don't know if it was many years, but definitely during
- 6 that time frame is correct.
- 7 Q. And that includes --
- 8 A. It was in association with our gig internet products, yes.
- 9 Q. And that includes downloading a hundred songs in three
- 03:28:48 10 | seconds, right?
 - 11 A. Correct.
 - 12 Q. Right. And by doing the simply math, a hundred songs in
 - 13 three seconds would be a thousand songs in thirty seconds,
 - 14 | would it not?
 - 15 A. That's correct.
 - 16 Q. Okay. Sir, I'm going to show you a document that's
 - 17 | already been admitted as evidence in this case as PX 1, and I'm
 - 18 just going to actually just pull it up on the screen. It's not
 - 19 | in the binder that you have in front of you.
- 03:29:12 20 And I'm going to ask Mr. Duval to scroll through
 - 21 | that -- or actually, excuse me, Mr. Ruelas is helping me out,
 - 22 making me look good.
 - 23 Why don't you take a few seconds and look at what's
 - 24 behind tab 1. That's a list of the sound recordings that are
 - 25 at issue in this case, and there's 6,734 of them. Take a look

- 1 and tell me if you're familiar with any of those artists as you
- 2 | flip through it.
- 3 A. I'm familiar with many of them.
- 4 Q. And why is that?
- 5 A. Because these are either artists that I personally enjoy
- 6 or artists that the consumers in the marketplace enjoy.
- 7 Q. All right. And could you turn to the last page of that
- 8 | document, sir, and tell me, do you agree with me, sir, that
- 9 | there's 6,734 sound recordings there on that list?
- 03:30:09 10 A. I agree the list ends at 6,734.
 - 11 Q. And will you agree with me, sir, that downloading a
 - 12 | thousand songs in thirty seconds means that it takes just about
 - 13 three-and-a-half minutes for someone to download the entirety
 - 14 of that list?
 - 15 A. That sounds like the correct mathematical assessment if
 - 16 | done linearly; that's correct.
 - 17 Q. Have you ever downloaded amounts like that from iTunes?
 - 18 A. Well, I don't have that kind of budget, so I can't afford
 - 19 | that much music.
- 03:30:41 20 Q. Are you familiar with what a permanent download is?
 - 21 A. No, unfortunately I'm not, other than to say it sounds
 - 22 like something that the customer retains a copy of.
 - 23 Q. Right. Well, you understand that streaming involves
 - 24 listening to music, but you don't keep a copy afterwards,
 - 25 correct?

- 1 A. That's correct.
- 2 Q. Okay. Whereas permanent download -- you've bought a song
- 3 | from iTunes before, right?
- 4 A. Absolutely. Not 6,734 of them, but yes.
- 5 Q. Because it costs money to buy something from iTunes. Do
- 6 you agree?
- 7 A. Yes, that's correct.
- 8 Q. All right. And after you buy it, you have a copy for
- 9 yourself, right?
- 03:31:09 10 A. If you download a song through iTunes, yes.
 - 11 Q. Right. And when one obtains a recording from a
 - 12 peer-to-peer network, they also obtain a permanent copy of the
 - 13 | song, don't they?
 - 14 A. It sounds like it, yes.
 - 15 Q. Well, I mean, you're familiar with peer-to-peer networks,
 - 16 | aren't you?
 - 17 A. I am not that familiar with them.
 - 18 Q. Well, you've used them before, haven't you?
 - 19 A. I don't know that I have.
- 03:31:33 20 Q. You've never used Napster to get music?
 - 21 A. I don't know that I have or haven't. It's a long time
 - 22 | since Napster's been in business.
 - 23 | Q. Do you recall me asking you about whether you've used
 - 24 Napster at your deposition?
 - 25 A. I do.

- 1 Q. And do you recall saying that you did?
- 2 A. I recall saying I did not have clarity. I probably did; I
- 3 don't know.
- 4 Q. Your testimony today is you don't recall whether you've
- 5 ever obtained music from a peer-to-peer network?
- 6 A. My testimony is it's been many years since Napster was in
- 7 business. I cannot recall based on the different business
- 8 | models that Napster had if I've used Napster, and if I did use
- 9 Napster, which version of the business model I used.
- 03:32:28 10 Q. Sir, in your time at Cox, Cox's high-speed internet
 - 11 | product has grown year over year, correct?
 - 12 A. Yes, that's correct.
 - 13 Q. And over the course of your time there, Cox's high-speed
 - 14 | internet service has become Cox's largest product both in terms
 - of revenue and customers, correct?
 - 16 A. That is correct.
 - 17 Q. Cable TV used to be its largest product, but the
 - 18 | high-speed internet service is the one that's the future for
 - 19 Cox, right?
- 03:32:53 20 A. That is correct.
 - 21 | Q. And Cox still gains more subscribers every year, doesn't
 - 22 | it?
 - 23 A. That is correct.
 - 24 Q. And Cox faces a tough competitive environment, right?
 - 25 A. There is a very tough competitive environment in the

- 1 marketplace, yes.
- 2 Q. Right. And it -- and you've testified before that
- 3 customer service is one of the ways that Cox positions itself
- 4 against competitors in the marketplace, right?
- 5 A. That is correct.
- 6 Q. Reducing friction, making it easier for customers to use
- 7 | the service how they want it in the way they want it, right?
- 8 A. That is correct.
- 9 Q. Now, you said before that there are certain uses of the
- 03:33:35 10 | Cox internet service that Cox does not want to support, right?
 - 11 A. That is correct.
 - 12 Q. Copyright infringement, for example, right?
 - 13 A. That's a good example.
 - 14 O. Cox doesn't tell its customers when it markets its service
 - 15 | not -- that it can't be used for infringement, does it?
 - 16 A. When we market the service? No. But when the customer
 - 17 | signs up for service, they get a document that explains that.
 - 18 Q. Right. Knowing that a, that a really substantial portion
 - 19 of its user base uses the service for P2P and that an
- 03:34:09 20 | overwhelming percentage of P2P is infringing, Cox very well
 - 21 | could include a marketing statement encouraging customers not
 - 22 to use P2P for infringement, right?
 - 23 | A. Yeah, I'm not sure I follow you on the substantial size of
 - 24 | the base, even despite the figure that we looked at. There
 - 25 were other figures on the page that were larger.

- 1 Secondarily, we focus on the marketing messages that
- 2 | are most enticing to our customers as a whole.
- 3 And third, in any use of downloading music,
- 4 association with peer-to-peer, we're assuming that the consumer
- 5 is using the products legally and ethically.
- 6 Q. Pretty risky assumption, isn't it?
- 7 A. It's the assumption we have to go off of.
- 8 Q. Because you don't want to know what they're actually using
- 9 | it for?
- 03:34:55 10 A. That's not what I'm stating.
 - 11 Q. Okay. Well, let's take a step back. It's your view, is
 - 12 | it not, that it would not go over well with Cox's customers if
 - 13 | in your marketing you said we have a really fast music, but
 - 14 | don't steal music, right?
 - 15 A. It would not go over well because it's irrelevant to most
 - 16 | customers that we are trying to marketing to. It might be
 - 17 | funny, but it would not go over well because it's not relevant
 - 18 to the consumers.
 - 19 Q. Do you recall telling me in your deposition that it
- 03:35:21 20 | wouldn't go over well with Cox's customers for you to encourage
 - 21 people not to steal music?
 - 22 A. That's correct.
 - 23 Q. And I think your view is that Cox prides itself on doing
 - 24 | what it says it would do, right?
 - 25 A. That is correct.

1941 1 Do you know if Cox says that use of its service for 2 infringement is prohibited, but then it doesn't enforce that rule once it knows that someone is caught infringing? 3 I don't have specifics on that. I could assume that there 4 5 obviously are some challenges in that area; otherwise, we 6 wouldn't be sitting here today. MR. ZEBRAK: No further questions, Your Honor. 8 THE COURT: All right. Thank you. 9 Redirect? Thank you, Your Honor. 03:36:03 10 MR. ELKIN: 11 REDIRECT EXAMINATION 12 BY MR. ELKIN: 13 Just a couple of questions, Mr. Negretti. 14 Α. Sure. 15 Counsel showed you some documents from inCode. remember that? 16 17 Yes. Α. 18 Do you know whether that data in those studies was unique 19 to Cox? Well, to be candid, inCode is not a direct customer of the 03:36:28 20 product marketing group, so that study wasn't fielded for 21 22 product marketing, and so the insight that I have is in 23 preparation for cases such as this as opposed to normal 24 everyday business usage when it comes to documents like that. 25 However, what I can say is that data that they do is

- 1 | largely available to many groups, including Cox, and we decided
- 2 to build a relationship with them and used that data to be able
- 3 to understand certain things about data on our network.
- 4 Q. And specifically, was it Cox data?
- 5 A. I'm sorry, what?
- 6 Q. Was it Cox data?
- 7 A. It was not Cox data. It was bounced up -- and we actually
- 8 talked about that -- it was bounced up against Cox's data to
- 9 see if there was a match.
- 03:37:15 10 Q. Okay. And there were questions about advertising that Cox
 - 11 did with regard to downloading music. Do you remember those
 - 12 questions?
 - 13 A. That's correct, yes.
 - 14 Q. To what extent were you -- was Cox advertising lawful
 - 15 versus unlawful downloading --
 - 16 A. 100 percent lawful.
 - 17 Q. Sorry?
 - 18 A. 100 percent lawful, 0 percent unlawful.
 - 19 Q. How do you know that?
- 03:37:42 20 A. Well, because we don't, again, want to do business with
 - 21 people who are infringers or using the internet in any way
 - 22 | that's fraudulent or illegal, and we don't create a marketing
 - 23 message in any way for customers who are using it in any way
 - 24 other than the most ethical ways.
 - MR. ELKIN: One second.

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         1
                       I have no further questions.
         2
                       THE COURT: All right. May this witness be excused?
         3
                       MR. ELKIN: Yes, please.
         4
                       THE COURT: All right. Thank you, sir. You're
         5
             excused at this time. Please don't discuss the testimony
         6
             you've given with anyone until our trial is over. All right?
                       THE WITNESS: Sounds great.
         8
                       THE COURT: All right. Have a good afternoon.
         9
                       THE WITNESS: Thank you very much.
             WITNESS EXCUSED
03:38:28 10
        11
                       MR. ZEBRAK: Thank you, sir.
        12
                       THE COURT: It's a little early, but are you ready
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             for a break? Is that a yes, sir? All right. Let's take our
        14
             mid-afternoon break, and maybe we'll break a little later for
        15
             short, but let's take 15 minutes now. Thank you. You're
        16
             excused.
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                       NOTE: At this point, the jury leaves the courtroom;
             whereupon the case continues as follows:
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        19
             JURY OUT
03:39:13 20
                       THE COURT: All right. Anything before we break?
        21
                       MR. OPPENHEIM: I don't know -- we're trying to
        22
             resolve some issues with Ms. Weber's demonstratives. I'm not
        23
             sure where we are with them. Maybe if we just have a few
        24
            minutes, Your Honor, and then before the jury comes back, if we
        25
            haven't resolved something, we can determine.
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                       THE COURT: All right. We're in recess then.
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                       NOTE: At this point, a recess is taken; at the
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             conclusion of which the case continues in the absence of the
         4
             jury as follows:
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             JURY OUT
         6
                       THE COURT: Preliminary matters?
                       MR. OPPENHEIM: We got it down to two issues, Your
         8
             Honor.
         9
                       THE COURT: Okay.
04:04:03 10
                       MR. OPPENHEIM: Do you have a set you can share with
        11
             the judge?
        12
                       MR. BUCHANAN: I think we can pull it up.
        13
                       MR. OPPENHEIM: Can you pull it up?
        14
                       MR. BUCHANAN: 22.
        15
                       MR. OPPENHEIM: So, Your Honor, these are the slides
        16
             with respect to Dr. Weber --
        17
                       THE COURT: Okay.
        18
                       MR. OPPENHEIM: -- that defendants are proposing to
        19
             use.
04:04:27 20
                       On the very last line here, you'll see they've
        21
             included -- sorry.
        22
                       THE COURT: Go ahead.
        23
                       MR. OPPENHEIM: They've included the line:
        24
             Terminating all Cox services could cut off internet access to
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             emergency personnel (police, fire).
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1945 This is exactly the issue that's unresolved because of the Jarchow issue. We have no idea that these are -- that Cox's provision of service to these police and fire stations is the essential service, and, in fact, I highly, highly doubt it. And so to put that in front of the jury, you know, they're not putting in Sal's Chicken & Waffles, which is also on the list. They're putting on police and fire, and they're doing it for one specific reason, and there's no foundation for it at this point, Your Honor. So that's issue No. 1. Issue No. 2 --THE COURT: Well, let's get -- you're going to put up a different slide, so let's do this one. MR. BUCHANAN: So there is a foundation, Your Honor. Ms. Trickey testified extensively about -- in response to questionings -- questions on, I think, cross, about the type of business customers they had. Now, I'll just read a little bit of what she testified to: "Does Cox view the business AUP violations differently than residential AUP violations?" "Well, so how we treat the potential violations, we do have different processes." "Why is that?" "Well, because business customers are very different from residential customers, and as I stated earlier this

morning, business customers range from, you know, a very small

1946 1 business up to very large businesses, but they are businesses, 2 and they're largely reliant on their internet service. 3 "You also have many businesses that have users of the 4 internet service who they may not even know who the person 5 actually is, because they could be a doctor's office that 6 offers WiFi, or it could be -- you know, we talked about a hospital. We've got government buildings, you know, police, 8 fire, all kinds of different buildings, and so you don't always 9 know who the actual -- the identity of who the actual users 04:06:31 10 are." 11 She goes on and is asked: "What kinds of businesses 12 or entities have Cox Business accounts?" 13 Well, as we talked about this morning, the 14 mom-and-pops, the coffee shops, the bagel stores, but also 15 moving on up the chain, we have government buildings. We have schools. We have hospitals. We have doctors' offices, 16 17 dentists' offices and police stations and fire stations and 18 universities --19 THE REPORTER: Can you slow down, please? 04:06:52 20 MR. BUCHANAN: Okay. I'm sorry. 21 THE COURT: That's all I need to hear. All right. 22 I'm going to allow the exhibit, and you can cross-examine on 23 what Ms. Weber knows. 24 What's the other one? 25 MR. OPPENHEIM: The next is slide 28, Your Honor.

04:08:12 20

04:07:35 10

And if we could pull up slide 28? And then I'll pull up another document.

So they propose to have Ms. Weber testify as to the price per notice under the RIAA contract, but the contract doesn't in any way contemplate a price per notice, and, in fact, if I can pull up the contract, the one relevant page of the contract, Your Honor, what you see is there's an anticipated notice volume, right, which isn't a set notice volume. It's not X number for this price, but even per month, as the notice volume changes, the price remains the same.

So to suggest to the jury that, that the plaintiffs were paying a price per notice, there's no foundation for that. It's inaccurate and misleading, and there's no foundation for it, Your Honor.

MR. BUCHANAN: Well, what that shows, this is basically simple arithmetic. The, the anticipated amount of notices that would go to Cox was exactly the amount --

THE COURT: Meaning going from 200 or 400 --

MR. BUCHANAN: Right.

THE COURT: -- or 600?

MR. BUCHANAN: Yeah. I think that said 9,000 maybe,
I think, I couldn't see the small print, but whatever the
number is, it's anticipated, but that's what they actually
agreed to, that's what they actually did or tried to do, and
we -- it just merely subtracted the amount, you know, under the

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             contract that was provided, and we came up with a per notice.
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                       I mean, he can cross-examine her on this. It's very
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             simple. She'll just say, I looked at the contract. I looked
         4
             at the total amounts. I looked at what you said. I divided it
         5
             by what the price was, and I came up with these amounts per
             notice.
         6
                       MR. OPPENHEIM: Your Honor, the 9,000 -- so the
         8
             one -- let's pull that one back up, if we can. The Cox number
         9
             was static. This -- I pulled up 2014, but we could pull up any
             year. Okay? And in 2014, you see that the Cox number is
04:09:00 10
        11
             static.
        12
                       THE COURT: I don't see it.
        13
                       MR. OPPENHEIM:
                                       There we go.
        14
                       THE COURT: Where -- what column and line?
        15
                       MR. OPPENHEIM: Cox is in the second box down.
                                                                       Ιf
        16
             you could highlight that, Mr. Duval, please?
        17
                       So that is static. There's no pricing for just Cox,
        18
             no pricing for just Cox. So the pricing is at the bottom, and
        19
             you'll see that even though the volumes -- so if you look at
04:09:27 20
             the top, for instance -- and the best example is, where you can
        21
             see it is -- well, actually it's in the last one, not this one,
        22
             but the pricing is not per notice, and you can't divide it out.
        23
                       If you went back to 2013, you'd see a ramp-up in
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             notices, and yet the pricing per month remained the same.
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             is anticipated notice volume.
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1949 The only one who had a set cap was Cox. testimony as to that. So to suggest that there was a -- that you could do this or that MarkMonitor was willing to -- that they based their charges per notice is misleading. There's no testimony of that. They could easily have asked Mr. Bahun, do you charge per notice? Do you increase your pricing by notice? They could have asked all those questions. They chose not to ask it. There's absolutely no basis to suggest that there is a price per notice. They're free to talk about the overall cost, right, that's in the record, and they can do that, but this suggestion is, there's no foundation for it. MR. BUCHANAN: Your Honor --THE COURT: Yes. MR. BUCHANAN: -- still it's just a simple mathematical. Those are the numbers that actually were sent, the witness will testify that she talked about in her report. THE COURT: The question is if there's any evidence that anybody contemplated a price per notice, and Bahun didn't testify to that and --MR. BUCHANAN: Yeah, they wouldn't produce their

billing information, so we couldn't get that. However, this is

something that was in the report. She didn't do it by price,

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             but she talks about all the contracts and what the, the amounts
         2
             were under the contracts, the amount of notices, and this --
         3
             you can always have a volume and divide it by what the price is
         4
             to break it down for notice. People do that all the time.
         5
                       THE COURT: All right. I'm going to allow it.
         6
                       MR. BUCHANAN:
                                      Okay.
                       THE COURT: Your exception is noted. And you can
         8
             cross-examine it.
                       MR. OPPENHEIM: I'm sorry, you said you are going to
         9
             allow it?
04:11:32 10
        11
                       THE COURT: I'm going to allow it, yes, I am.
        12
                       MR. ELKIN: Your Honor, one more housekeeping thing,
        13
             which is we were going to call in our case Jill Lesser, who is
        14
             the former executive director of the Center for Copyright
        15
             Information, and pursuant to a stipulation, where in lieu of
        16
             her attending in our case, we would -- counsel for the
        17
             plaintiffs have agreed to stipulate to the admission of two
             exhibits that I'd like to offer into evidence now.
        18
        19
                       THE COURT: Yeah, go ahead.
04:12:10 20
                       MR. ELKIN: That would be Defendants' Exhibit 65 and
        21
             Defendants' Exhibit 66. These are, I guess I will characterize
        22
             them as FAQs that were on the Center for Copyright Information
        23
             and Copyright Alert System.
                       THE COURT: Okay. And there's no objection?
        24
        25
                       MR. OPPENHEIM: No objection, Your Honor.
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                       THE COURT: Okay. They're received.
         2
                       MR. ELKIN:
                                    Thank you, Your Honor.
         3
                       THE COURT:
                                   Thank you.
                       All right. Let's get our jury, Joe, please.
         4
         5
                       NOTE: At this point, the jury returns to the
         6
             courtroom; whereupon the case continues as follows:
             JURY IN
         8
                       THE COURT: All right, please have a seat.
                       Next witness, Mr. Buchanan?
         9
04:13:20 10
                       MR. BUCHANAN: The defense would call Dr. Lynne
             Weber, Your Honor.
        11
        12
                  LYNNE JANET WEBER, PH.D., DEFENDANTS' WITNESS, SWORN
        13
                       THE COURT: All right, good afternoon.
        14
                       Please, Mr. Buchanan, proceed, sir.
        15
                                    DIRECT EXAMINATION
             BY MR. BUCHANAN:
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        17
                  Dr. Weber, can you please state your full name for the
             record, spell your last name, please?
        18
        19
                  Lynne Janet Weber, W-e-b-e-r.
             Α.
04:14:22 20
                  Dr. Weber, did you prepare some demonstratives to use as
             you walk through your background and anticipated testimony
        21
        22
             today?
        23
                  I did.
             Α.
        24
                       MR. BUCHANAN: With the Court's permission, could we
        25
             bring these up?
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1952 1 THE COURT: Yes, sir. 2 MR. BUCHANAN: Thank you. BY MR. BUCHANAN: 3 So to start, could you explain your educational background 4 5 to the jury, please? 6 I can. So I started out on the East Coast, and I went to undergraduate school at Cornell University, where I earned a 8 Bachelor's Degree in Mathematics; and then after that, after 9 four cold winters in upstate New York in the snow belt, I ran out to California, where I went to graduate school at Stanford, 04:15:01 10 and I earned a Master's in Statistics and a Ph.D. in Operations 11 12 Research. 13 And, Dr. Weber, are you married? 14 I am. I have a wonderful husband. For more than 30 15 years, we've been married. 16 Do you have any children? 17 I have two beautiful children, a boy and a girl, 18 aged 31 and 28. 19 So you indicated that you got your Ph.D. in Operations Research. Could you briefly describe what operations research 04:15:35 20 21 is for the jury? 22 Sure. Operations research is the application of math to 23 solving business problems. 24 Okay. So after you got your Ph.D., what did you do next?

25

So after that, I joined a small consulting company.

1 | think I was employee No. 12 or 13 when I joined. And they did

2 | a wide, wide variety of things, and I stayed with them for 18

3 years, became a principal after a few years, and then we let

4 ourselves get acquired by PricewaterhouseCoopers. That's a

5 | very large audit and accounting firm.

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And then three years after that, so the part of PricewaterhouseCoopers that had acquired us, that same piece was sold to Standard & Poor's, so I -- after being a principal at PricewaterhouseCoopers, I became a managing director at Standard & Poor's, and then four years after that, that came group was sold to Duff & Phelps. So I became managing director at Duff & Phelps at that time in 2005, and I've been there ever since.

So it kind of looks like I've, I've moved around companies a lot, but really I haven't looked for a job in 39 years. It's just that the name over the door keeps changing.

- Q. Okay. And what do you do at Duff & Phelps?
- 18 A. So I'm a managing director. I do a wide variety of
- 19 things, mostly involving quantitative analysis of some kind.
- 04:17:25 20 | So I develop financial projections, I conduct market research,
 - 21 I do data analysis, I do statistics, and I do that -- all of
 - 22 | that work, I do that work for companies who have business
 - 23 problems, applying my skills and training, and then I also --
 - 24 | with part of my time, I also serve as an expert witness in
 - 25 disputes like this.

- 1 Q. Have you developed any expertise in the topic of consumer
- 2 behavior?
- 3 A. Yes. Actually, that was the first area that I was
- 4 attracted to at Applied Decision Analysis when I started was
- 5 | forecasting markets for new products and services. So my
- 6 | company, for example, think forecasting the market for cell
- 7 | phones in 1984. Think about forecasting the market for
- 8 electric cars in 1991, or we did it again in 2000.
- 04:18:33 10 services, in order to do that, you needed to really understand
 - 11 | consumers -- potential customers for these new technologies,

So forecasting the market for new products and

- 12 these new products and services, and so I conducted a lot of
- 13 market research. I moderated over 200 focus groups. I've led
- 14 more than 200 market research surveys. I've done more than 200
- 15 engagements with companies to help them understand and forecast
- 16 | their markets. I've built over a hundred models of product
- 17 marketplaces over the course of my career.
- 18 Q. Have you ever been engaged as an expert in a lawsuit or
- 19 dispute?
- 04:19:19 20 A. I have.

- 21 Q. On how many occasions?
- 22 A. It's more than 60 matters at this point.
- 23 | Q. Okay. Have you ever testified at a trial or an
- 24 | arbitration?
- 25 A. I have. I've testified -- before this I've testified once

1955 1 in federal court, four times in arbitrations, including international arbitration. How about in depositions? 3 Between 15 and 20 depositions. 4 5 So you've reviewed your educational and professional 6 background. What areas do you believe you have an expertise? So I believe I have expertise in data and -- data 8 analysis, data analytics, in statistics, and in consumer 9 behavior. Okay. Do you have a copy of your most recent résumé or 04:20:06 10 curriculum vitae? 11 12 I assume it's in the binder here. 13 Yes, I do. It's DX 173? 14 Ο. 15 That's correct. Α. Okay. And did you prepare that in anticipation for your 16 17 testimony here today? 18 I prepared this when I did my original expert 19 report. 04:20:43 20 MR. BUCHANAN: Okay. And I would like to move DX 173 2.1 into evidence. 22 THE COURT: Any objection? 23 MR. OPPENHEIM: No objection, Your Honor. 24 THE COURT: It's received. 25 BY MR. BUCHANAN:

- 1 Q. So in what industries or sectors do you typically work?
- 2 A. So I work cross-industry. Over the course of my career,
- 3 I've probably worked in dozens of different industries, but
- 4 more of my work than any other industry is in high tech,
- 5 including telecommunications.
- 6 Q. Do you have any experience with copyright?
- 7 A. Well, I'm not a lawyer, but I have worked on a few
- 8 | copyright cases, yes.
- 9 MR. BUCHANAN: Your Honor, I'd like to offer
- 04:21:27 10 Dr. Weber as an expert in the areas of statistics, data
 - 11 | analytics, and consumer behavior.
 - MR. OPPENHEIM: Your Honor, may we approach, please?
 - 13 THE COURT: Yes, sir.
 - 14 NOTE: A sidebar discussion is had between the Court
 - 15 and counsel out of the hearing of the jury as follows:
 - 16 AT SIDEBAR
 - 17 THE COURT: Yes, sir.
 - 18 MR. OPPENHEIM: Plaintiffs have no objection to the
 - 19 data analytics or the statistics. The consumer behavior,
- 04:22:02 20 | however, none of the testimony that she's included in her
 - 21 report on consumer behavior should be admissible at this point
 - 22 | given the Court's rulings, previous rulings, and so I would not
 - 23 have her certified as to consumer behavior.
 - MR. BUCHANAN: Your Honor, I, I think she is an
 - 25 expert in that area. She's not going to testify about the

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         1
             e-mails, but there may be some areas that she touches on
         2
             involving consumer behavior.
                       THE COURT: Where?
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                       MR. BUCHANAN: Well, it could come up on
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             cross-examination, for one. And also in the areas where she
             talks about she's worked in the telecommunications industry,
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             there is issues with these, some testimony about the ISPs and
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             if they were terminated, the impact.
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                       I don't think I'm going to get into consumer
             behavior, but I think there's a chance it could come up in
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        11
             cross, so I wanted her to be certified for that purpose.
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                       THE COURT: Okay. Let's qualify her for the first
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             two and not the last. So reask your question. Your exception
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             is noted. If it turns out she wants to give testimony that's
        15
             admitted, then certainly we'll qualify her for that as well.
        16
                       MR. BUCHANAN:
                                     Okay.
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                       THE COURT: Okay. Thank you.
        18
                              The sidebar discussion is concluded; whereupon
             the case continues before the jury as follows:
        19
04:23:30 20
             BEFORE THE JURY
                       THE COURT: She'll be qualified for data analytics
        21
        22
             and statistics and -- for purposes of examination right now.
        23
                                     Okay. All right.
                       MR. BUCHANAN:
        24
                       THE COURT: All right. Thank you.
        25
             BY MR. BUCHANAN:
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- 1 Q. Dr. Weber, are you being compensated for your work on this
- 2 case?
- 3 A. Well, actually, Duff & Phelps, my company, is paid for my
- 4 | time. I do earn a salary, but I'm not compensated particularly
- 5 for this case.
- 6 Q. Okay. And what is your hourly rate that you're charging
- 7 | with this case?
- 8 A. So Duff & Phelps is charging \$750 per hour for my time on
- 9 this case.
- 04:24:08 10 Q. So you're not getting all that or a percentage of that?
 - 11 A. I am not.
 - 12 Q. And how many hours have you worked on this case,
 - 13 | approximately?
 - 14 A. At this point, it's more than 400.
 - 15 Q. Okay. And did you prepare a report in this case?
 - 16 A. I did.
 - 17 Q. And did your work, the hours that you spent, a lot of that
 - 18 | go into that report?
 - 19 A. A fair amount, sure.
- 04:24:33 20 | Q. Did you form any opinions in connection with your work on
 - 21 this case?
 - 22 A. I did.
 - 23 Q. Okay. And could you explain or summarize those opinions
 - 24 | to the jury and the Court?
 - 25 A. Sure. So I have four opinions that I'm going to be

- 1 | talking about today. The first is after each step in Cox's
- 2 graduated response, fewer subscribers continue to be the
- 3 | subject of copyright infringement notices; the second one is
- 4 | for 88 percent of subscribers, there's more than a year after
- 5 | the last RIAA notice with no more RIAA notices; the third is
- 6 for the subscribers with the most tickets, the subscribers with
- 7 | 100-plus tickets, they're almost all commercial; and the fourth
- 8 is that the RIAA sent far fewer notices than Cox agreed to
- 9 allow.
- 04:25:41 10 Q. So you have some icons here, starting with -- I don't know
 - 11 | if it's a martini glass or golf tee, but could you explain what
 - 12 those are?
 - 13 A. I think it does look a little bit like a golf tee, but
 - 14 | it's not supposed to. So that first one is supposed to be a
 - 15 | funnel to illustrate that you have a lot of subscribers with
 - one or more notice and very few percentage-wise that, by the
 - 17 | time you get down to 13 or more notices, but each of these
 - 18 | icons is going to be a guidepost so that the jury and I will
 - 19 know where, where I am in my opinions, can follow each section
- 04:26:22 20 at a time.
 - 21 Q. So before we go over each of these opinions, could you
 - 22 describe to the jury and the Court what sort of information you
 - 23 | reviewed to substantiate and support your opinions?
 - 24 A. I'd be happy to. So the two primary data sources that I
 - 25 looked at were the RIAA notice data that I think the jury has

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other information.

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1 heard a lot of about. The other one that was primary was the Cox ticket data that the jury has also heard a lot about.

I also did look at, at Cox billing data, for example, to be able to tell whether a particular subscriber was residential or commercial subscriber. And then I also looked at quite a lot of Cox, RIAA, and MarkMonitor documents and depositions.

- Can you explain the distinction between the RIAA notice data and Cox ticket data, please?
- Sure. So I'll do that with, with an illustrated example. 04:27:28 10 Α. And I'll be brief because I know the jury has heard this 11 12 probably a lot, but the RIAA notice data, that's in the top 13 left here, that is data from the RIAA. MarkMonitor is actually 14 sending it. It has a date, a notice ID, an IP address, among

There are also notices coming from other copyright holders into Cox. Cox -- the notices from the RIAA, they actually all pass Cox's compliance check. So they, they comply with all of Cox's policies and don't have settlement offers and other things that Cox considers problematic. Some of the other copyright holders' notices, however, do not comply.

So this kind of illustrates graphically that the notices from the RIAA, they all go through and they will be incorporated in tickets in the Cox ticket database, whereas only some of the notices from the other copyright holders will

go through and become incorporated as tickets in the ticket database.

And then in the ticket database, we have the data that was produced. We have the date, a ticket ID, a number for the ticket. We have the account ID, which identifies the subscriber. We have the IP address, and we have the actions that were taken based on, on that ticket.

And you'll notice that both the RIAA notice database and the ticket database that's Cox's, they both have a date and an IP address, and I think you've already heard testimony that that is how the two are linked together.

- 12 Q. And what did you look at with regard to the Cox billing
- 13 data?

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A. So for the Cox billing data, I looked at whether the subscriber was a single family residential subscriber, what's called a multifamily residential subscriber, which is a very small subset of the subscribers at issue here, and the

commercial subscribers. I used it for that.

And then I also used it to determine at what point the subscriber left Cox and was no longer being billed, and that -- you'll see that may be -- that will be relevant to some of my analyses.

- Q. So let's turn to your first opinion. Do you have it on the screen?
- 25 A. I do.

- 1 Q. And could you explain how you reached conclusions in this
- 2 opinion?
- 3 A. Okay. So the opinion is that after each step in Cox's
- 4 graduated response, fewer subscribers continued to be the
- 5 | subject of copyright infringement notices, and by the 12th such
- 6 | notice, the notices stop for the vast majority of subscribers.
- 7 So that's the opinion, and I got to that opinion by
- 8 analysis of the RIAA notices as well as the Cox tickets.
- 9 Q. Okay. You used the term "vast majority." What do you
- 04:31:06 10 mean by that?
 - 11 A. So I mean it's not -- it's more than half and it's
 - 12 | not just a little bit more than half. It's, it's the vast
 - 13 | majority. It's -- and for the cases I'm going to talk about,
 - 14 | it's over 90 percent.
 - 15 Q. Do you have additional slides that show your analysis and
 - 16 | your results?
 - 17 A. Yes, I do. So, so the first thing I looked at was I
 - 18 looked at the RIAA notices. These are the notices that are in
 - 19 | the database that MarkMonitor allegedly sent to Cox. And the
- 04:31:46 20 | 49 percent of the at-issue subscribers here only got one
 - 21 notice -- were only the subject of one notice from the RIAA in
 - 22 | the relevant period, which is roughly February 2013 through the
 - 23 | end of November 26, 2014. So almost half only got one.
 - When we go to three or fewer notices, 78 percent, or
 - 25 more than three-quarters of the at-issue subscribers got one,

- two, or three notices, were the subject of one, two, or three notices from the RIAA.
- When we get to five, 88 -- 87 percent of the at-issue
- 4 subscribers were the subject of five or fewer notices from the
- 5 RIAA. We go up a little bit more and we see that by the time
- 6 | we get to 12 notices, that 98 percent of the at-issue
- 7 subscribers were the subject of no more than 12 notices from
- 8 | the RIAA. So that means that 2 percent got -- were the subject
- 9 of 13 or more notices from the RIAA in this relevant period.
- 04:33:18 10 Q. Okay. Did you analyze this data in any other way?
 - 11 A. I did.
 - 12 Q. Did you put it on a slide?
 - 13 A. I did. So, so the -- I have two issues with this data,
 - 14 and the first issue is the set of subscriber accounts is
 - 15 biased.
 - 16 Q. Which set of accounts?
 - 17 A. The set of accounts that are in the data, both in the RIAA
 - 18 | notice data and also, more importantly, in the, in the Cox
 - 19 ticket data. That set of subscriber accounts is biased.
- 04:33:58 20 Q. Okay. And you say you took a deeper dive to determine
 - 21 | this bias. First, explain the bias.
 - 22 A. Sure. So, I mean, you might think, how can it be biased?
 - 23 | It just is the set of at-issue subscribers, right? You would
 - 24 | think it's not biased, but it is biased, and let me see if I
 - 25 can explain how.

So if there's a -- and I'm going to use an example of three notices received, a subscriber who was the subject of three notices from the RIAA in 2012. So if a subscriber was the subject of three notices from the RIAA to Cox in 2012 and then no notices at all after that in 2013 and '14, that subscriber is not in any of the data I looked at or any of the other experts you've heard testify so far looked at in -- as far as the RIAA data and the Cox ticket data.

- Q. Why, why is that? Why are they excluded?
- A. Because this, this period, the relevant period, which is very similar to the claim period, it's just off by a couple days from the claim period, this relevant period is the period for which Cox matched the RIAA notices and the IP addresses in those notices to their customer database.

So if there was a subscriber that didn't get any, any notices from the RIAA in 2013 or 2014, that subscriber was not one of the accounts that was picked out as matching, and so I don't see that subscriber in, in any of the data that, that I was given for this case.

However, consider another subscriber who also got three notices -- was the subject of three notices from the RIAA in 2012, but that subscriber also had some notices that they were the subject of from the RIAA in 2013. All right. That same subscriber is in, but the subscriber who got three notices and then no more is out.

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So the data is biased from the point of view of the 2012 -- and it's actually 13 months, January of 2013, the data is biased because the people who got one or two or three notices from the RIAA in that year and no notices afterwards, right, and we've seen already that there's a lot of the at-issue subscribers who got only one or two or three notices, those subscribers are excluded, but if they kept going, if they kept having notices for that subscriber, that the subscriber was the subject of, that one is included, and so that's biased, right? That is -- it's not like a deliberate bias. not -- you know, it's not nefarious in any way. It's just that's how the data was drawn, and so the data itself is biased. So did -- how did you adjust for this bias in your analysis? So to adjust it for this bias, I chose to look at subscribers, the at-issue subscribers who have their first ticket in the relevant period. So that, that cuts out this issue that I have in 2012 with not including the people who only got one or two or three notices and no more, but, yes, including the people who, one or two or three and then got more. So by cutting it off and looking at the subscribers in the first ticket in the relevant period, I essentially

- 1 | sidestepped that bias issue.
- 2 Q. Okay. And did you prepare a chart to capture that
- 3 | analysis?
- 4 A. Sure. So when I looked at that subgroup, the first
- 5 interesting thing is that subgroup of the people that didn't
- 6 | get a ticket in 2012 and January of 2013, that's more than
- 7 | three-quarters of the at-issue subscribers, so 77 percent of
- 8 the at-issue subscribers did not have any tickets in not just
- 9 RIAA notices, any tickets at all in the ticket database from --
- 04:38:44 10 | for all of 2012 and January of 2013.
 - 11 Q. Excuse me, Dr. Weber. Did Dr. McCabe, who testified for
 - 12 | the plaintiffs in this case, have a similar graph?
 - 13 A. I think he -- I wasn't here for his testimony, but I read
 - 14 his testimony, and I think he described the gray area. He
 - described the 23 percent that were the ones that did have a
 - 16 | ticket in that first 13 months' period that I have ticket data
 - 17 | for.
 - 18 Q. So then did you further analyze this data?
 - 19 A. I did. So okay, so now I'm looking at the 77 percent,
- 04:39:31 20 | which is representative of a general population of Cox
 - 21 subscribers that are the subject of an RIAA notice, and
 - 22 | surprisingly to me actually when I first looked at it, the
 - 23 results are very similar. So instead of 49 percent getting
 - 24 only one ticket, it's only gone up to 50 percent. Instead of
 - 25 | 78 percent getting three or fewer tickets, it's gone up to 80

- percent. And, similarly, at 12 tickets, it's, it's still 98 percent have 12 or fewer tickets.
- 3 So this was a big surprise to me because obviously
- 4 I -- you know, I've cut out the people that got -- you know,
- 5 the guy that was shown earlier that got 4,000 tickets.
- 6 Obviously, you know, that person was -- or that -- it was a
- 7 | business subscriber, but, you know, I've cut out that business
- 8 subscriber that was, that was getting lots of tickets every
- 9 year. So I was very surprised that even when I cut that 23
- 04:40:37 10 percent out, that the numbers didn't change very much.
 - And so that, that tells me particularly looking at
 - 12 | the 98 percent, that there's only 2 percent that get 13 or
 - 13 more, whether I look at it, all the people or the 77 percent,
 - 14 | it tells me that a lot of the 23 percent look fairly similar to
 - 15 | the 77 percent. There's a small percent that don't, that are,
 - 16 | you know, very different, but a lot of them look like the 77
 - 17 percent.
 - 18 Q. So did you further analyze the data in, in your, in your
 - 19 | work for the defense?
- 04:41:14 20 A. I did. I mentioned that there were two issues. So
 - 21 | there's a second issue. So the second issue is, well, maybe,
 - 22 maybe the first RIAA notice is near the end of the period I
 - 23 | have data for and we just don't see the later notices. So it's
 - 24 kind of on the opposite side. I have boundaries on both sides.
 - 25 It's kind of on the opposite side.

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So, for example, if I had a subscriber who is the subject of three notices, let's say, as an example at the end of 2014, and then, you know, those three notices are in the RIAA notice database I was working with, but if there continued to be additional notices, then those are not necessarily in the data that Dr. McCabe and I both used for the relevant period is what we were, we were both looking at. And so that's, that's also a problem.

- Q. So how did you deal with, with this issue? How did you analyze it?
- A. Right. So to deal with this issue, what I decided to do was to look at the subscribers whose first ticket was in the first six months of the relevant period. So that gives me a long time to look out, right? It actually gives me on average twice as long to look out for those people. On average, it's almost 19 months for me to look and see if they got more notices from the RIAA.

So I have a longer runway to look and see what happens, and then those people who got their first ticket in the first six months, it shouldn't matter whether I look at the people that got their first ticket in the first six months or the second six months or the third six months, you know, it shouldn't really matter except that I have longer -- you know, longer to watch and see what -- and MarkMonitor has longer to watch, also, and see what happens with that subscriber.

- So, so this subgroup of people is actually reasonably
- 2 | representative of all the 77 percent that I talked about
- 3 before.
- 4 Q. So what were the results of this analysis?
- 5 A. So unsurprisingly, it's, it's a subgroup of that 77
- 6 percent, so it's actually 26 percent. It's still thousands of
- 7 | at-issue subscribers, but it's 26 percent of the population
- 8 have their first ticket in February through August 2013.
- 9 Q. So you're focusing on that 26 percent just so you have the
- 04:44:16 10 long runway to see what happens over the length of the claims
 - 11 period?
 - 12 A. That's exactly right. I have twice as long a runway.
 - 13 | So --
 - 14 Q. And this, and this -- and you're doing this again, as I
 - 15 understand it, to see if they have another ticket over that
 - 16 period; is that right?
 - MR. OPPENHEIM: Can we not lead, Your Honor, please?
 - 18 THE COURT: I'll allow that question.
 - 19 THE WITNESS: Yes. I'm doing that to see when I
- 04:44:42 20 | look -- when I have twice as long to look, do I see, you know,
 - 21 | many more notices and tickets when I have twice as long to
 - 22 look. That's exactly what I'm doing.
 - 23 BY MR. BUCHANAN:
 - 24 Q. And what is, what is, again, the relevance of that looking
 - 25 out over that period of time?

1 A. Okay. So if I have twice as long to look, and so twice as

2 | long -- in the case of the RIAA notices, twice as long for

3 MarkMonitor to be watching and looking and seeing if they

4 observe any infringing behavior, right, twice as long to look,

5 so I get -- the idea is that if I -- I would have expected

6 | what -- you know, if you didn't know any better, you would

7 expect, gee, if I have nine months to look on average, which is

8 true for the broader data, I might see so many notices. If

I -- for a particular subscriber account.

04:45:45 10 If I look twice as long, I would expect, you know,

11 many of those subscribers, if -- I would expect to see twice as

12 | many notices from the RIAA for many of the subscriber accounts

13 | with twice as long to look.

14 Q. Okay.

15 A. That's what I would have expected, but it's not what I

16 see.

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17 | Q. Okay. You've pulled up a demonstrative here. Does this

18 reflecting results of your -- of what you just described?

A. It does. Before I talk about this, I should actually

mention that ultimately when I go to talking about tickets,

21 | which I'm going to do next, tickets are, tickets are a

22 | ticket -- you know, there are tickets on a day, right?

23 Notices -- notices can -- you could have multiple

24 notices on the same day. We've already heard testimony from

25 | the -- that with respect to the RIAA notices, that almost --

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that rarely happens. It doesn't happen very much. MarkMonitor tries to avoid it, and it doesn't happen very much.

So for this analysis, I actually had looked to see if there was much difference. If I looked at how many notices a subscriber account was the subject of or how many days notices came in for that subscriber, and it's a very small difference, only very small difference.

So for this chart, I've actually shifted to talking

about how many days a subscriber was the subject of RIAA notices, and I've changed both bars so it's apples to apples. But that's why they're a little -- the ones on the left are a little different than the last chart I showed you was because it's now days.

Okay. So like I said, I would expect to see a lot of, a lot of change, a big gap between these two sets of bars, but I don't see very much change. The results typically only differ by 1, 2, or 3 percent.

So, for example, in this subgroup of the 26 percent, where I have twice as long to look at, I still only have 49 percent getting only one notice -- one day of notices from -- that they're the subject of from the RIAA in twice as long.

It's 51 percent -- again in days, it's 51 percent of the counts are the subject of an RIAA notice when I have half as long, and when I have twice as long, it only drops to 49 percent.

Similarly, if you look at three or fewer notices, if

I have the short period to look, on average it's 80 percent of

2 the accounts of three or fewer. With twice as long, it only

3 changes by 2 percent. It just goes down to 78 percent.

And when I get up to 12 or fewer notices, it's

5 actually 99 percent for -- 99 percent of the accounts have 12

6 or fewer days on which they get RIAA notices, and it only drops

down to 98 percent for 12. So there's still -- even with twice

8 | as long, there's still only 2 percent of the at-issue

subscribers that are the subject of 13 or -- RIAA notices on 13

or more days.

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11 Q. So what does this mean?

12 A. Well, to me, I was just really, really surprised. I mean,

13 | I would have expected to see that the accounts that had two

14 | notices -- many of the accounts that had two notices, now I

would see when I'm looking at this subset that has twice a

16 long, I would expect a lot of them to move over and be getting

17 | four notices. And the ones that were getting three notices, I

18 | would have expected with twice as long to look on average, I

| would be getting more of them seeing six notices. And the ones

that had seven, eight, nine, ten, 11 notices, I would expect

them to move over to the 13-plus column.

22 And that's not what I see, and so that tells me that

23 the, the RIAA notices mostly, mostly really stopping. Okay.

Not for all accounts, right, not for the 2 percent and not for

25 | the 1 to 3 percent that seem to continue when I, when I doubled

1 the length of time, but for the vast majority of them, the RIAA

- 2 notices are really stopping.
- 3 Q. Okay. So we've talked about notices now. Did you look at
- 4 the same, the same analysis with ticket data?
- 5 A. Yes. So I did many of the same things with ticket data,
- 6 and the big picture is that the results -- the conclusions are
- 7 | similar for tickets. Now, there are more tickets than notices,
- 8 | right, because the tickets are not just from the RIAA. The
- 9 | tickets are from other, other copyright holders that, that are
- 04:51:14 10 | sending the Cox notices that comply with Cox's policies. So
 - 11 | there's, so there's a lot more copyright holders who are
 - 12 | sending notices.
 - So yes, there's more tickets than notices,
 - 14 | absolutely. I did the similar analysis, and the tickets really
 - do mostly stop. Again, there's a percentage that continue on,
 - 16 and there's that 13-plus percent always, so -- but they really
 - 17 do mostly stop.
 - And then, you know, for this sample, and this is
 - 19 again the 26 percent, that's representative of Cox's
- 04:51:55 20 subscribers who are the subject of RIAA notices, 33 percent get
 - 21 only one ticket. So there's more tickets, so that, you know,
 - 22 | that number is obviously smaller than, than for one RIAA
 - 23 | notice. 77 percent get five or fewer tickets, and when you get
 - 24 to 12 or fewer tickets, it's, it's 95 percent that get 12 or
 - 25 fewer tickets.

1 Q. Can you draw any opinions from the analysis of the ticket

2 data in this fashion?

3 A. Yes. So the, the -- I can. I think I have another slide

4 to show that, and here, here we have the infamous golf tee to

5 try and illustrate that situation. So here I'm looking at

6 | the -- I'm actually looking at the three-quarters now, the 77

percent, but I'm looking -- and you can see that from the pie

8 | chart up in the top right -- I'm looking at single family

residential subscribers because, of course, Cox's policy is

different for single family residential than it is for business

11 customers.

ticket.

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So I'm focused on single family residential subscribers with RIAA notices. There are 42,025 such residential subscribers in our data who got at least one

Then as we move forward and we watch and observe and more tickets come in, you see that by the time you get to people who have three or more tickets, it's gone down quite a bit. It's now down to 18,600. By the time you get to five or more tickets, it's down more. It's down to 10,200.

By the time you get to 13 or more tickets for this group of 77 percent, it's down to 1,330, which is only 3.2 percent of the original population.

And remember, these -- this is the 77 percent that is where the data has been unbiased, and so it's reflective of the

- 1 general population of single family residential subscribers who
- 2 | are the subject of an RIAA notice.
- 3 Q. Now, Dr. Weber, do you recall hearing or reading testimony
- 4 | in this trial that, that concerned or indicated that Cox took
- 5 | certain actions that limited the number of notices it
- 6 processed?
- 7 A. Yes, I did hear that testimony.
- 8 Q. Okay. And how did any of those actions affect your
- 9 analysis?
- 04:54:54 10 A. So I thought about all of those actions as I was doing my
 - 11 | work here, but the big picture is that it's all baked in. So
 - 12 whatever Cox's policy was and however they implemented that
 - 13 | policy, that's all in that analysis, all right? This is what
 - 14 | actually happened, and this is what actually happened given
 - 15 everything you've heard about.
 - 16 Everything that Cox did, the limits, whatever you've
 - 17 | heard about, all of that is baked in here that given what
 - 18 | they -- given every way in which they implemented their policy,
 - 19 this is what actually happened. The notices really do stop for
- 04:55:51 20 | the vast majority in spite of all of the actions that, that
 - 21 have been testified about so far.
 - 22 Q. Do you have anything else to offer with regard to your
 - 23 | first opinion in this matter?
 - 24 A. I think that's it for the first opinion.
 - 25 Q. Okay. Okay. And so what is your second opinion?

- 1 A. So the second opinion is for a group that's representative
- 2 of Cox subscribers who are the subject of an RIAA notice, for
- 3 | 88 percent, there's more than a year after the last RIAA notice
- 4 | with no more RIAA notices.
- 5 Q. Okay. Is there a different way of looking at it?
- 6 A. Yeah. So I'm actually going to illustrate how I came to
- 7 | that conclusion, first by showing an example.
- 8 Q. Okay.
- 9 A. So this is an example subscriber that has been the subject
- 04:56:50 10 of three RIAA notices. The first two come in July of 2013.
 - 11 They're both for "No Lie" by 2 Chainz. The third one comes in
 - 12 about a month later in August, and it's for "The A Team" by
 - 13 Ed Sheeran.
 - And the other thing that's relevant is not only when
 - 15 | the notices come in, but how long I have to look after the last
 - 16 | notice. So in this particular subscriber -- so for some
 - 17 | subscribers, I can go all the way out to the end of the claim
 - 18 period. I can go all the way out to November 26, 2014.
 - 19 For this particular subscriber, like some others,
- 04:57:40 20 | their last billing month, which I can tell from the billing
 - 21 data, comes earlier than that, right? So I -- that person's
 - 22 | last billing month is in October, and the days between the
 - 23 | first notice and that last billing month is 448.
 - So -- and I have a graph to illustrate kind of what
 - 25 I'm going to do, so I'm going to look for the time of the first

- 1 | notice to the time of the last notice, and then I'm going to
- 2 | compare it to the end of what I can see, which is either the
- 3 | last bill or the end of the claim period. That's, that's
- 4 | what's in the RIAA notice data that both Dr. McCabe and I
- 5 worked with.
- 6 Q. Okay. Did you do any other analyses related to the amount
- 7 of time subscribers are not subject to notices?
- 8 A. Right. So this was just, just an example to illustrate
- 9 the timeline. So I did this with this group that I have a long
- 04:58:38 10 | time to look, right? This is that same group I have on average
 - 11 | almost 19 months to look and see what happens and do they get
 - 12 additional notices.
 - So for that group, the -- on average, the time from
 - 14 the first notice to the last notice is a little over two
 - 15 months. The time from the -- the time after that until the
 - 16 | last bill on average is 487 -- is 487 days. So --
 - 17 Q. Let me ask you, the last bill, again, why is that
 - 18 relevant? Why are you looking at that?
 - 19 A. Well, I don't want to -- I don't want to do it wrong,
- 04:59:23 20 | right? I don't want to use all of the, of the claim period
 - 21 when that subscriber might not even have been a Cox subscriber
 - 22 | then. I don't want to count, oh, they didn't get any notices
 - 23 in November of 2014, when they weren't even a subscriber then,
 - 24 | so, of course, they didn't get any notices.
 - 25 Q. So the bill indicates that they're still a subscriber?

- 1 A. Correct. The bill -- yes, I guess I should have said
- 2 | that. The bill indicates that they are, in fact, still a
- 3 subscriber.
- So -- anyway, so on average, the time after the last
- 5 | notice, on average, that period is almost 500 days. So -- and
- 6 then when I looked at it a different way, I looked for 88
- 7 percent of these representative subscribers, you know, that I
- 8 have a long window to look at, for 88 percent of them, there
- 9 was more than a year after the last RIAA notice with no more
- 05:00:27 10 RIAA notices.
 - 11 Q. Okay. Now, did you, did you look at this in another way,
 - 12 utilize it in another way?
 - 13 A. I did. I also look at it in terms of percent of time, and
 - 14 | the percent of time, that's what the -- I think that's what the
 - 15 | icon is, with the red and green.
 - 16 So the percent of time, the average -- the first
 - 17 | notice to the last notice on average is 12 percent of the total
 - 18 | time I can see from the first notice until the last bill.
 - 19 Q. Did you look at this using ticket data instead of RIAA
- 05:01:03 20 notices?
 - 21 A. I did use it -- do it using ticket data. Remember,
 - 22 | there's a lot more tickets, but even with ticket data, on
 - 23 average, it was only 16 percent of the time from first -- from
 - 24 | the first ticket to the last ticket in the -- that I see as
 - compared to the total time from the first ticket to the last,

- 1 | the last bill or the end of the, of the claim period.
- 2 Q. So do you have anything else with regard to your second
- 3 opinion?
- 4 A. I don't think so. I think that's it.
- 5 Q. So let's go to your third opinion. Do you have a
- 6 demonstrative?
- 7 A. I do.
- 8 Q. Okay.
- 9 A. So the third opinion is -- you've heard some in this trial
- 05:01:49 10 | already about some subscribers with a lot of tickets, so I
 - 11 | chose to look at the subscribers with the most tickets and
 - 12 | notices, and it turns out that the subscribers with 100 or more
 - 13 tickets over the three-year period that we have ticket data
 - 14 | for, they're almost all commercial subscribers, and the
 - 15 subscribers with 50 or more notices from the RIAA in that
 - 16 | relevant period, they are all, all of them -- there aren't that
 - many, but they're all of them commercial.
 - 18 Q. Have you prepared a demonstrative for this?
 - 19 A. Yes. So I'm going to focus on the, on the first one, the
- 05:02:29 20 | subscribers with 100 or more tickets. So first you have to
 - 21 understand the population in general. I think actually -- I
 - 22 | think Dr. McCabe actually already testified that 95 percent of
 - 23 | the at-issue subscribers are single family residential. 5
 - 24 percent of them are commercial.
 - There's a teeny, tiny sliver that you can't even see

- 1 | that are multifamily residential, which is -- that's like
- 2 | apartment buildings, where there's just one, one subscriber
- 3 account for the, the whole building. This is very small.
- 4 MR. OPPENHEIM: Objection. No foundation. Move to
- 5 strike. That doesn't --
- 6 THE COURT: Lay a foundation. I'll strike the last
- 7 | answer, but lay a foundation if you'd like to go there.
- 8 BY MR. BUCHANAN:
- 9 Q. So did you -- what did you look at to determine the makeup
- 05:03:28 10 of the commercial customers of Cox?
 - 11 A. Right. So I looked at the billing data, which indicates
 - 12 | whether a customer is single family residential, multifamily
 - 13 residential, or commercial subscribers, and I also looked at
 - 14 deposition testimony from a Cox financial person, Mr. Jarchow,
 - 15 also testifying about those different types of accounts.
 - 16 Q. Okay. Did you look at anything else, any research that
 - 17 | was done with regard to these commercial accounts?
 - 18 A. I also looked at the other expert reports that had been
 - 19 submitted by the plaintiff in this matter.
- 05:04:11 20 Q. So based on that, are you able to determine the makeup of
 - 21 | the commercial customer --
 - 22 A. Oh, yes. So the makeup of the -- of how many are single
 - 23 family residential, commercial, or multifamily, that comes from
 - 24 tying the information in the billing database to the
 - 25 information from the ticket database or the RIAA notice

- 1 database, you know. It's been done both ways.
- 2 Dr. McCabe testified about the tickets, and I'm
- 3 | testifying about the RIAA notices, notice database that he also
- 4 relied on, but, yes, so I tied the whether it's commercial,
- 5 multifamily, or single family residential in the billing
- 6 database, and then I used the account ID to find the people
- 7 | that were the at-issue subscribers to tie those two together,
- 8 | at-issue subscriber, what's the account ID, look in the billing
- 9 data, see if it's commercial, single family residential, or
- 05:05:20 10 multifamily.
 - I will say there were a few accounts I couldn't tell
 - 12 | but -- because the billing data, you know, didn't have an
 - 13 | indication, but that was just a very small number.
 - 14 Q. So did you hear Dr. Lehr testify about how many
 - 15 residential subscribers had over a hundred tickets?
 - 16 A. I did.
 - 17 Q. Okay. How many based on your research had over 100
 - 18 | tickets? How many residential customers?
 - 19 A. They were -- it was only one single family residential
- 05:05:51 20 | subscriber that it was at issue that had more than 100, and
 - 21 it -- that particular residential subscriber had 101, so it
 - 22 must be the one that -- the one that Dr. Lehr chose to pull out
 - 23 and show the jury is the one with -- the only one over, with
 - 24 over 100 tickets.
 - 25 Q. From an expert statistical standpoint, is that

- 1 representative of what had transpired here?
- 2 A. It is not at all representative of either the subscribers
- 3 | with 100 or more tickets, and that one single family
- 4 residential subscriber with 101 tickets is -- it's, it's the
- 5 one out of over 50,000 single family representative -- single
- 6 family residential subscribers, it's the only one out of 50,000
- 7 | that has more than 100 tickets.
- 8 Q. You mentioned something about subscribers with 50 or more
- 9 RIAA notices in a relevant period. What category did they fall
- 05:07:12 10 in?
 - 11 A. I do have that in my report. Oh, no, no, I do know that.
 - 12 So the ones with 50 or more -- that are subject to 50 or more
 - 13 | notices from the RIAA in the relevant period, all of them, and
 - 14 | I think there are 20-something of them, but all of them are
 - 15 commercial accounts.
 - 16 Should I go ahead and finish up on the --
 - 17 Q. Sure. Can you break down further the type of subscriber
 - 18 | that we're talking about here?
 - 19 A. Right. So with the subscribers with the 100-plus tickets,
- 05:07:53 20 | the picture completely flips. So for the subscribers with
 - 21 | 100-plus tickets, 46 of 49 of them are commercial subscribers.
 - 22 | Two of them are the multifamily subscribers, and there's only
 - 23 | 17 of them in the entire list of at-issue subscribers for
 - 24 multifamily, and only one, the one we've just been talking
 - 25 about that Dr. Lehr showed the jury, only one is a single

- 1 | family residential subscriber with actually 101 tickets.
- 2 Q. And did you break down these commercial subscribers
- 3 | further in your analysis?
- 4 A. I did. So of these 49 commercial -- 49 at-issue
- 5 subscribers that had 100 or more tickets over the three-year
- 6 period, they're mostly ISPs and multi-occupancy housing. So
- 7 | the largest number of them, 15 of them are ISPs. They're other
- 8 ISPs.
- 9 Q. And ISP is what?
- 05:09:03 10 A. It's another internet service provider, a regional
 - 11 | internet service provider, for example, that contracts with Cox
 - 12 | so that that service provider can provide internet service to
 - 13 | their hundreds or thousands or tens of thousands of customers,
 - 14 and they have a contract with Cox to do that.
 - 15 So 15 of these subscribers with more than 100
 - 16 | tickets, they are internet service providers.
 - 17 | Q. What about the breakdown for the rest?
 - 18 A. So for the rest, there's a fair number of university or
 - 19 | student housing. There's hotels. There's a few apartment
- 05:09:42 20 | complexes. There's a few that are military housing. There's a
 - 21 | few that are retail and, as I said before, two multifamily and
 - 22 one single family residential.
 - 23 Q. Were you able to determine which of this group had the,
 - 24 the most tickets?
 - 25 A. Yes. So I looked at the five subscribers with the most

- 1 tickets in this period, and the five top subscribers ranged
- 2 from 713 tickets up to 4,786 tickets, and these five were all
- 3 regional internet service providers who have -- you know, as
- 4 I've mentioned before, they have potentially many, many
- 5 customers.
- 6 Q. And what's the time period that these notices or tickets
- 7 | were created with regard to these particular internet service
- 8 providers?
- 9 A. It's a span of over three years -- sorry, not exactly.
- 05:10:48 10 | It's a span of three years, from 2012, '13, '14.
 - 11 Q. Okay. So what is the impact of terminating a local ISP's
 - 12 | access to Cox's networks?
 - 13 MR. OPPENHEIM: Objection. No foundation.
 - 14 THE COURT: Sustained.
 - 15 BY MR. BUCHANAN:
 - 16 Q. Okay. You worked with internet service providers?
 - 17 A. I have. I have worked with, for example, I've worked
 - 18 | with -- I've worked with many companies in the
 - 19 telecommunications industry, including internet service
- 05:11:18 20 providers. I've worked with AT&T. I've worked with
 - 21 Cablevision. I've worked with a number of other internet
 - 22 | service providers. I've worked with telecommunications
 - 23 | companies and satellite industry cell phones, etc.
 - 24 Q. Are you familiar with the operations between one ISP such
 - 25 as Cox and a regional ISP?

Case 1:18-cv-00950-PTG-JFA Document 656 Filed 12/17/19 Page 120 of 132 PageID# 27838 1985 I have, I have some knowledge of that. I wouldn't say I 1 2 was an expert on it. So you have on the screen here, it says terminating an ISP 3 could cut off the internet for thousands of households not the 4 5 subject of notices. What do you mean by that? 6 MR. OPPENHEIM: Objection, Your Honor. May we 7 approach? 8 THE COURT: Yes, sir. 9 NOTE: A sidebar discussion is had between the Court 10 and counsel out of the hearing of the jury as follows: 11 AT SIDEBAR 12 THE COURT: Yes, sir. 13 MR. OPPENHEIM: Dr. Weber is not in a position to 14 testify to either of the two points that are currently on this 15 slide. I objected to them at the time. 16 THE COURT: The second one you objected to, not the 17 first one. 18 MR. OPPENHEIM: And I'm now objecting because I'm now 19 hearing her testimony. She even admitted she's not an expert 05:12:34 20 in this. 21 THE COURT: Yeah. 22

MR. OPPENHEIM: So I would like that there should be no further questions on this, and the jury should be given an instruction to disregard this, because she's really not in a position to testify to it whatsoever.

23

24

1 She would be speculating as to what happens in these 2 situations, and she would be speculating in a way that was 3 directly contrary to Cox's own policies. 4 MR. BUCHANAN: I think, Your Honor, we already 5 reviewed this. It's been put up on the screen. He didn't 6 object to the first one. The second one, you overruled his 7 objection. 8 She's testified about her experience with the ISPs. 9 It's pretty obvious if you cut off, terminate an ISP, what happens. She's looked at the data behind the ISPs, you know, 05:13:11 10 11 and who they serve --12 THE COURT: She's not going to go on and talk about 13 how these people were left without service for an average of 30 14 days or anything like that, right? 15 MR. BUCHANAN: No. THE COURT: She's just going to say, my experience, 16 17 you cut off the internet, they don't get the internet. 18 MR. BUCHANAN: That's it. 19 MR. OPPENHEIM: Wait a minute. What Mr. Buchanan 05:13:31 20 just said is a little surprising to me, that she looked at the 2.1 data behind these ISPs. 22 THE COURT: That's why I asked him the follow-up 23 She's not going to talk about what happens to any of 24 these -- do you think the jury will -- thinks it's a revelation 25 that if you cut off the internet service, that the person can't

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1
             contact -- get into the internet from that server?
         2
                       MR. OPPENHEIM: Obviously not. Its coming out of an
             expert's mouth, Your Honor, gives it a qualification which it
         3
         4
             shouldn't get.
         5
                       THE COURT: All right. I'll allow it.
         6
                       MR. OPPENHEIM:
                                       They can draw that inference, I
             believe.
         8
                       THE COURT: I'm going to allow it. Your exception is
         9
             noted.
        10
                       NOTE: The sidebar discussion is concluded; whereupon
        11
             the case continues before the jury as follows:
        12
             BEFORE THE JURY
        13
             BY MR. BUCHANAN:
        14
                  So, Dr. Weber, back to the demonstrative and to the first
        15
             point at the bottom of the graph of the demonstrative, it says
             terminating an ISP could cut off the internet for thousands of
        16
        17
             households not the subject of notices.
        18
                       Could you just briefly explain how that happens?
                  Sure. So if there is an ISP with thousands or tens of
        19
             thousands of subscribers, we only have -- you know, we don't
05:14:58 20
             have tens of thousands of tickets here, right? And those
        21
        22
             tickets are probably not --
        23
                       MR. OPPENHEIM: Objection, Your Honor. She has no
        24
             foundation as to the number of customers --
        25
                       THE COURT: Sustained.
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- 1 BY MR. BUCHANAN:
- 2 Q. Just focus on what would happen.
- 3 A. Got it. Okay. So, yes, if you cut off the internet
- 4 | service to that ISP, then there would be no internet service
- 5 for all of that ISP's customers.
- 6 Q. Okay. And then your next point: Terminating all Cox
- 7 | services could cut off internet access to emergency personnel.
- 8 A. So, again, the same thing. If you cut off internet
- 9 access, that would include internet access to emergency
- 05:15:52 10 personnel such as, as police and fire. They are also
 - 11 subscribers of -- to internet service.
 - 12 Q. Okay. So let's move to your fourth opinion. What did you
 - 13 look at for that, and what is that opinion?
 - 14 A. So that opinion, at a high level, is that the RIAA sent
 - 15 | far fewer notices to Cox than Cox agreed to allow.
 - 16 Q. So how many notices did the RIAA contract with MarkMonitor
 - 17 to send to Cox during the claim period?
 - 18 A. Okay. So I looked at the contracts that RIAA had with
 - 19 | MarkMonitor. I actually looked at three years' worth of
- 05:16:38 20 | contracts, but for this, we're going to talk about 2013 and '14
 - 21 | because that's the claim period.
 - The RIAA contract with MarkMonitor specified 450 a
 - 23 day for Cox.
 - 24 Q. And for what period was this? Is this 2014?
 - 25 A. So this is 2013.

Q. Okay.

- 2 A. Starting in April of 2013. And also in 2014, there was a
- 3 | contract that took effect in April of 2013 and a second
- 4 | contract that took effect in April of 2014, and they both
- 5 | specified 450 per day for Cox.
- 6 Q. So what is your understanding of the number of notices
- 7 | that Cox agreed to accept from the RIAA during this time
- 8 period?
- 9 A. So I think the jury has already heard testimony about
- 05:17:32 10 | this, so I won't go into great detail, but as, as you may
 - 11 remember, the RIAA asked, you know, could we have 5 or 600 in
 - 12 April -- on April -- in April of 2013, and a few days later,
 - 13 | Cox -- Randy Cadenhead, head of Cox, replied: We can try
 - 14 | accepting 600 per weekday.
 - So you can see that in the image, Cox was -- agreed
 - 16 to accepting 600, but even after that agreement, the contract
 - 17 | for 2013 was unchanged, and the contract for 2014 also had 450.
 - 18 Q. So prior to Cox agreeing to 600 notices a day, do you know
 - 19 what the prior agreement was with regard to accepting notices
- 05:18:22 20 between Cox and the RIAA?
 - 21 A. I do. I think, I think I would best exhibit this with a
 - 22 graph, so -- because it's a whole lot better to see it
 - 23 graphically.
 - So this chart starts at the, at the beginning of the
 - 25 | claim period, February of 2013, and goes through November of

- 1 | 2014. So that's, that's the relevant period, the claim period
- 2 here, and the graph goes -- the bottom is 300 or fewer, and the
- 3 | top is 600 or more, so the 600 -- well, we'll see how that
- 4 comes in.

9

- 5 So the first thing I'm going to show is the green
- 6 line is what Cox had in e-mails agreed to allow for the RIAA.

I think the agreement actually was -- originally the

- 7 So they had agreed in -- to 400 --
- 8 Q. And what period of time was that?
- 05:19:31 10 e-mail for 400, I think, was back in 2009, and then -- but that
 - 11 | continued through April -- through, sorry, April 18 of 2013,
 - when we had that e-mail between Randy Cadenhead and Victoria
 - 13 | Sheckler between Cox and the RIAA where Cox agreed to 600. Sc
 - 14 you see the green line jumping up to 600.
 - 15 Q. Okay.
 - 16 A. Okay. The next line is going to be an orange line, and
 - 17 this line is what the RIAA contracts with MarkMonitor called
 - 18 for, and those contracts said at the beginning of the claim
 - 19 period, February and March, this was the 2012 contract actually
- 05:20:19 20 | was in effect there, which I've looked at, and that had 360.
 - 21 So Cox was allowing 400, and the RIAA contract with
 - 22 MarkMonitor was for only 360.
 - Then on April 1, the new contract went into effect.
 - 24 You see the orange jumping up to 450. A few days later, on
 - 25 April 12, I think it was, Victoria Sheckler contacted Cox. We

1991 1 need -- you know, can we get 5 or 600? 2 Cox on April 18 said yes. But you see that the orange line jumps up to, not to 3 600, jumps up to 450 in April, and then after April 18, it 4 5 stays at 450 for the full length of the 2013 contract, and then 6 when the 2014 contract was put into place in April of 2014 is when that took effect, it still stayed at 450. 8 So did you do anything to track the notices that were coming in during this period of time from the RIAA? That's right. That's right. So far, all we know is what 05:21:33 10 Α. Cox agreed to and what the, what the contract said, so I wanted 11 12 to know what actually happened, how many did they actually --13 did MarkMonitor actually send per day, and I have this from the 14 notice data, and you can see that --15 So what do those blue dots represent? 16 The blue dots represent the number of notices each day in 17 the RIAA notice database, which is supposed to be the notices 18 that the -- that MarkMonitor sent on behalf of the RIAA to Cox. 19 So that's what the blue dots are supposed to be. 05:22:17 20 And you see that back in February and March, the first couple of months of the claims period, the contract was 21 22 for 360, and on most days, they were sending about 360. 23 And then after April 1, the contract said 450, and on 24 most -- many -- most days, but many of the days, they were 25 sending around 450. You'll notice that there's also some dots

- 1 | even below the 450, and those are days in which MarkMonitor
- 2 | sent less than 450 notices, and, you know, the chart only goes
- 3 down to 300 or fewer, but they were sending less than 450
- 4 | notices on 170 days -- I think more than 170 days in, in that
- 5 period after the, after the contract went to 450.
- 6 Q. So if you look down, say, in 2014, there's a lot of blue
- 7 dots there at 300 and none that are on the orange line. What's
- 8 happening there?
- 9 A. So during those periods of time, the number of notices per
- 05:23:55 10 day that were being sent were less than 450.
 - 11 Q. And on how many occasions during the claims period did
 - 12 | MarkMonitor send notices above 450, the whole -- the contract
 - 13 amount with RIAA?
 - 14 A. So for the period which had the 450, you'll notice that
 - 15 | there are six blue dots up on the 600 or more line, and on six
 - days after the contract became 450, on six days, MarkMonitor
 - 17 | sent exactly twice that. They sent 900 on, on six days. It
 - 18 | seems to -- I don't know, it seems like an error to me that
 - 19 they sent 900 exactly twice on six occasions.
- 05:24:54 20 Q. What about the blue dot that's at 600 before the claim
 - 21 period?
 - 22 A. Right. There's a --
 - 23 Q. Right around March, I guess.
 - 24 A. Right. There's a -- also a blue dot at the 600 or more in
 - 25 March of 2013, and at that point, the contract said 360, and

- 1 | there was one day in February-March where MarkMonitor sent
- 2 double that. They sent 720 on that one day.
- 3 Q. So even though it says 600, on those -- those blue dots
- 4 that are on the 600 line, they reflect a doubling of the amount
- 5 of the contract amount between MarkMonitor and the RIAA?
- 6 A. That's correct.
- 7 Q. And you mentioned you thought there was an error there.
- 8 Why did you think there was an error?
- 9 A. It just looks like a glitch in the system to me.
- 05:25:48 10 MR. OPPENHEIM: Objection. No foundation.
 - 11 THE COURT: All right. Objection sustained. She's
 - 12 | speculating, so don't consider that, please.
 - 13 BY MR. BUCHANAN:
 - 14 Q. So other than the seven days that you just outlined during
 - 15 | this time period where MarkMonitor sent double its contract
 - 16 | amount with the RIAA, did the RIAA ever hit the 600 limit that
 - 17 | we agreed to with them?
 - 18 A. Not in the claim period, no.
 - 19 Q. Did you look at the contracts between the RIAA and
- 05:26:26 20 | MarkMonitor to determine how much money the RIAA saved by not
 - 21 sending the number of notices Cox agreed to accept?
 - 22 A. I did look at the contracts to see what the, what the
 - 23 pricing was. So in the 2013 contract, Cox is one of several
 - 24 internet service providers in kind of a bucket of internet
 - 25 | service providers that RIAA was paying MarkMonitor to send, and

- 1 when you look in that bucket and you look at the number of
- 2 | notices they send -- contracted to send for the year 2013 and
- 3 | you divide by -- sorry, you look at the price that they paid
- 4 | MarkMonitor -- RIAA paid MarkMonitor to send those notices and
- 5 you divide by the number of notices for the year, it comes out
- 6 to 17 cents per notice for the 2013 contract.
- 7 | Q. Okay.
- 8 A. And when I did the same analysis with the 2014 contract,
- 9 | although Cox's -- the number for Cox stayed constant, there
- 05:27:38 10 | were some of the others that they increased the notices that
 - 11 | the RIAA contracted with MarkMonitor in that bucket, and so the
 - 12 price changed, and the -- when you divide the price for the
 - 13 | bucket by the total number of notices, you get 14 cents per
 - 14 notice.
 - 15 Q. So did you determine the cost of RIAA to increase from
 - 16 | sending 450 notices to 600, as Cox agreed to?
 - 17 A. So yes. If you do the same and you say, well, what if
 - 18 | they had increased from 450 to 600 notices per weekday, it
 - 19 would be about 500 a month.
- 05:28:19 20 Q. Okay. But they didn't do that?
 - 21 | A. They did not increase the contract to 600; that's correct.
 - 22 Q. So could you briefly summarize your four opinions for the
 - 23 jury, Dr. Weber?
 - 24 A. Sure. So the four opinions are after each step in Cox's
 - 25 graduated response, fewer subscribers continue to be the

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1995
         1
             subject of copyright infringement notices; second, for 88
         2
             percent of subscribers, there's more than a year after the last
             RIAA notice with no more notices; third, the subscribers with
         3
         4
             100 or more tickets are almost all commercial; and fourth, the
         5
             RIAA sent far fewer notices than Cox agreed to allow.
         6
                       MR. BUCHANAN: That's all, Your Honor. Thank you.
                       THE COURT: All right, thank you.
         8
                       How much do you have on cross-examination?
         9
                       MR. OPPENHEIM: It's going to be awhile.
                       THE COURT: Okay. All right, let's break for tonight
05:29:17 10
        11
             then. We'll come back tomorrow morning at 9:00.
        12
                       All right, thank you. Same, same request, please.
        13
             All right, you're excused. Thank you very much. Have a good
        14
             night.
        15
                       A JUROR:
                                 Thank you.
        16
                       A JUROR: You too.
        17
                             At this point, the jury leaves the courtroom;
             whereupon the case continues as follows:
        18
             JURY OUT
        19
05:30:02 20
                       THE COURT: All right. Anything before we adjourn
        21
             for the evening?
        22
                       MR. BUCHANAN: No, Your Honor.
        23
                       THE COURT: All right.
        24
                       MR. OPPENHEIM: Not that I can think of at the
        25
             moment, Your Honor.
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1
                       THE COURT: I gave you long enough? You're done.
         2
                       MR. OPPENHEIM: Oh, wait, there we go.
         3
                       MR. ZEBRAK: This is just for the Court's assistance,
         4
             Your Honor. I'd like to pass up a bench memo. I don't know
         5
             that Dr. Feamster will be testifying tomorrow, but there have
             been a lot of issues with the limits of his testimony and sort
         6
             of expansion of it, so I just -- for the Court's, to facilitate
         8
             it coming in smoothly, we have a bench memo for it.
         9
                       THE COURT: Refresh my recollection, is that what
        10
             you're trying to do?
        11
                       MR. ZEBRAK: I won't read it into the record, Your
        12
             Honor. I'll just pass it forward.
        13
                       THE COURT: That's correct; you won't. All right.
        14
             Thank you. I'll receive that, and we'll give Cox an
        15
             opportunity to respond if they choose, and we'll address it --
             do we expect Mr. Feamster to testify tomorrow or -- probably?
        16
        17
                       MR. ZEBRAK: Well, according to the list, I've seen
        18
             the list, I just don't know how long the witnesses would take.
        19
                       THE COURT: All right.
05:31:13 20
                       MR. ZEBRAK: It's possible late tomorrow or Monday.
        21
             And to be clear, we're not asking for any relief in that memo.
        22
             We think it's the status quo but --
        23
                       MR. ELKIN: Your Honor, one last point. I heard a
        24
             rumor to the effect that we were going to have a charging
        25
             conference tomorrow night. Is that true?
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1997
         1
                       THE COURT: Correct.
         2
                       MR. ELKIN: Okay. So after the close of testimony
         3
             tomorrow?
         4
                       THE COURT:
                                  I'm sorry?
         5
                       MR. ELKIN: Is it following the --
         6
                       THE COURT: Yeah. After the jury's released, we'll
         7
             talk about jury instructions.
         8
                       MR. ELKIN: Great. Okay. Thank you.
         9
                       THE COURT: Okay. Yeah, you had to leave for that
             emergency. I'm sorry that -- but yeah, that's what I -- I
05:31:44 10
        11
             quess it's been a -- kind of a moving target. I hadn't
        12
             indicated when. I usually wait until later in the case, but
        13
             let's do that tomorrow after close of business -- close of jury
        14
            business.
        15
                       MR. ELKIN: Thank you.
        16
                       THE COURT: All right. Good. All right, have a good
        17
             evening.
                      We'll see you tomorrow at 9:00. We're in recess.
        18
                       NOTE: At this point, the December 11, 2018,
        19
             afternoon portion of the case is concluded.
        20
                             CERTIFICATE OF COURT REPORTERS
        2.1
                       We certify that the foregoing is a true and
        22
                  accurate transcription of our stenographic notes.
        23
                                    /s/ Norman B. Linnell
                                 Norman B. Linnell, RPR, CM, VCE, FCRR
        24
                                   /s/ Anneliese J. Thomson
        25
                                 Anneliese J. Thomson, RDR, CRR
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